

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU61401
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. BADLANDS UNIT
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		8. Lease Name and Well No. HOSS 86-31
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	9. API Well No. 43047-39946
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface Lot 4 1273FSL 1237FWL 40.07549 N Lat, 109.37450 W Lon At proposed prod. zone Lot 4 1273FSL 1237FWL 40.07549 N Lat, 109.37450 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV
14. Distance in miles and direction from nearest town or post office* 37.35 MILES SOUTH OF VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 31 T8S R23E Mer SLB SWSW
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1320'	16. No. of Acres in Lease 629.00	12. County or Parish UINTAH COUNTY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 800'	19. Proposed Depth 9870 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4860 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 40.00
		20. BLM/BIA Bond No. on file NM2308
		23. Estimated duration 45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission) <i>Mary A. Maestas</i>	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 02/15/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 03-20-08
Title ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #58645 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED

FEB 19 2008

DIV. OF OIL, GAS & MINING

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

638664X  
44371934

40.075494

- 109.373820

Federal Approval of this  
Action is Necessary

*N89°55'13"E - 5185.58' (Meas.)*

Well location, HOSS #86-31, located as shown in LOT 4, of Section 31, T8S, R23E, S.L.B.&M., Uintah County, Utah.

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35,  
T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE,  
QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD.  
(TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES  
DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID  
ELEVATION IS MARKED AS BEING 4697 FEET.



CERTIFIED TRUE AND CORRECT COPY OF THE ORIGINAL RECORD.  
 REGISTERED LAND SURVYOR  
 MADE BY ME IN ORDER  
 AND NOTATION AND CORRECTION  
 BELOW:  
 ROBERT L. KAY  
 REGISTERED LAND SURVYOR  
 REGISTRATION NO. 16219  
 STATE OF UTAH

**BASIS OF BEARINGS IS A G.P.S. OBSERVATION.**

(NAD 83)  
LATITUDE = 40°04'31.78" (40.075494)  
LONGITUDE = 109°22'28.20" (109.374500)  
(NAD 27)  
LATITUDE = 40°04'31.91" (40.075531)  
LONGITUDE = 109°22'25.75" (109.373819)

**L = 90° SYMBOL**

● = PROPOSED WELL HEAD.  
▲ = SECTION CORNERS LOCATED.

**Sec. 6**

W 1/4 Cor. Sec. 6,  
1977 Brass Cap, 0.8'  
- High, Pile of Stones,  
Set Stone

85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 09-11-07	DATE DRAWN: 12-06-07
PARTY G.S.      B.C.      S.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

## EIGHT POINT PLAN

HOSS 86-31

SWSW (Lot 4) 31, T8S, R23E, S.L.B.&M..

UINTAH COUNTY, UTAH

### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,070		Shale	
Mahogany Oil Shale Bed	2,733		Shale	
Wasatch	5,063	Primary	Sandstone	Gas
Chapita Wells	5,672	Primary	Sandstone	Gas
Buck Canyon	6,329	Primary	Sandstone	Gas
North Horn	6,968	Primary	Sandstone	Gas
KMV Price River	7,518	Primary	Sandstone	Gas
KMV Price River Middle	8,352	Primary	Sandstone	Gas
KMV Price River Lower	9,122	Primary	Sandstone	Gas
Sego	9,666		Sandstone	
TD	9,870			

Estimated TD: 9,870' or 200'± TD

Anticipated BHP: 5,390 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

### 4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

## **EIGHT POINT PLAN**

**HOSS 86-31**

**SWSW (Lot 4) 31, T8S, R23E, S.L.B.&M..**

**UINTAH COUNTY, UTAH**

### **5. Float Equipment:**

#### **Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

#### **Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

### **6. MUD PROGRAM**

#### **Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

## **EIGHT POINT PLAN**

**HOSS 86-31**

**SWSW (Lot 4) 31, T8S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

### **7. VARIANCE REQUESTS:**

**Reference:**     **Onshore Oil and Gas Order No. 1**  
                         **Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

### **8. EVALUATION PROGRAM:**

**Logs:**                     Mud log from base of surface casing to TD.  
**Cased-hole Logs:**     Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
                                 **Cement Bond / Casing Collar Locator and Pulsed Neutron**

## **EIGHT POINT PLAN**

**HOSS 86-31**

**SWSW (Lot 4) 31, T8S, R23E, S.L.B.&M..**

**UINTAH COUNTY, UTAH**

### **9. CEMENT PROGRAM:**

#### **Surface Hole Procedure (Surface - 2300'±):**

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

#### **Production Hole Procedure (2300'± - TD)**

**Lead:** 153 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 937 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

### **10. ABNORMAL CONDITIONS:**

#### **Surface Hole (Surface - 2300'±):**

Lost circulation

#### **Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**EIGHT POINT PLAN**

**HOSS 86-31**

**SWSW (Lot 4) 31, T8S, R23E, S.L.B.&M..**

**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

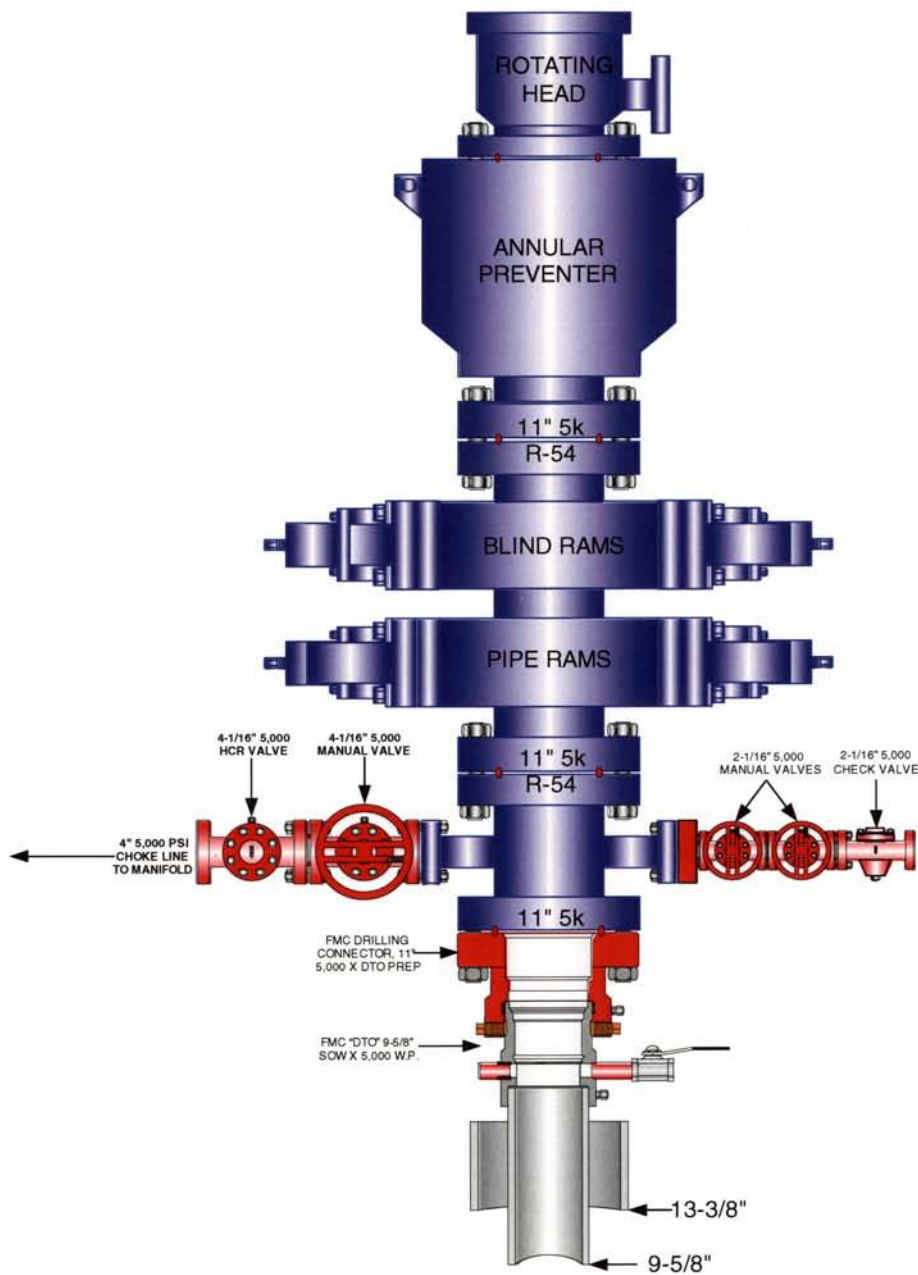
**13. Air Drilling Operations:**

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

**(Attachment: BOP Schematic Diagram)**

**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**

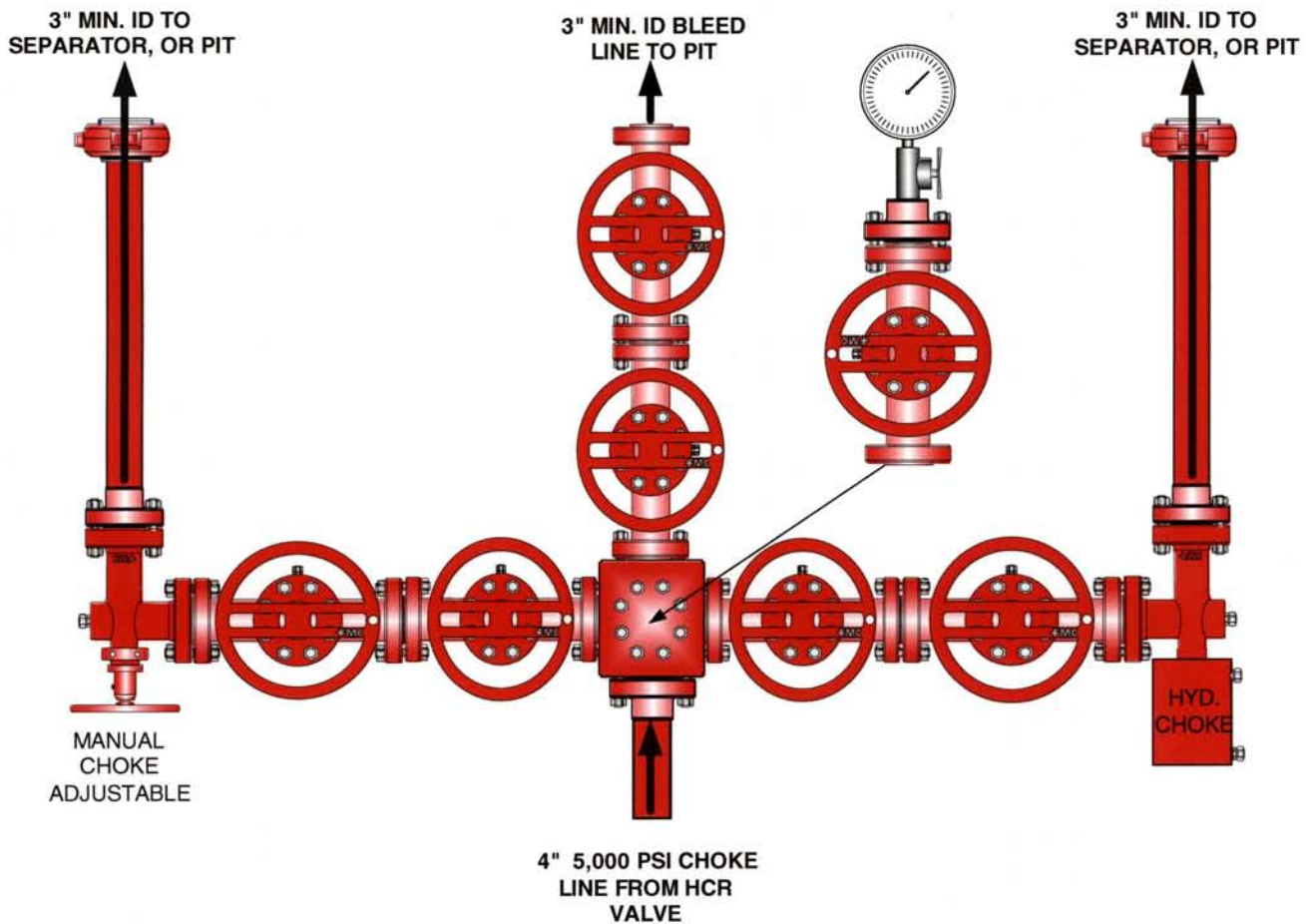
PAGE 1 OF 2





# EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



## Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



***Hoss 86-31  
Lot 4 (SWSW), Section 31, T8S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 150 feet long with a 40-foot right-of-way, disturbing approximately .14 acres. New surface disturbance associated with the well pad and access road is estimated to be 2.39 acres. The pipeline is approximately 715 feet long with a 40-foot right-of-way disturbing approximately .66 acres.

***1. EXISTING ROADS:***

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 37.35 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 150' in length. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

**An off-lease right-of-way is not required. The entire length of the proposed access road is located within Federal Lease # UTU-61401.**

**3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

See attached TOPO map "C" for the location of wells within a one-mile radius.

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 715' x 40'. The proposed pipeline leaves the southeastern edge of the well pad (Lease UTU-61401) proceeding in a northwesterly direction for an approximate distance of 715' tying into an authorized pipeline in Lot 3 (NWSW) of Section 31, T8S, R23E (Lease UTU-61401). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease # UTU-61401.
7. The proposed pipeline route begins in the SWSW (Lot 4) of Section 31, Township 8S, Range 23E, proceeding northwesterly for an approximate distance of 715' to the NWSW (Lot 3) of Section 31, Township 8S, Range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon or Covert Green.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 or 4 or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the south corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil west of pit corner B. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

**The corners of the well pad will be rounded off as needed to minimize excavation.**

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Interim Reclamation (Producing Location)**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
HyCrest Wheatgrass	6.0
Needle and Threadgrass	6.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

***B. Dry Hole/Abandoned Location***

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Fourwing Saltbush	3.0
Shadscale	3.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	1.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

**Bureau of Land Management**



**12. OTHER INFORMATION:**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for

the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

**Additional Surface Stipulations:**

None.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Mary A. Maestas  
EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078  
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

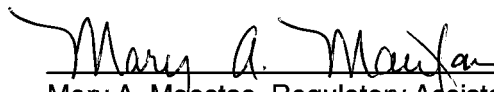
**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Hoss 86-31 Well, located in Lot 4 (SWSW), of Section 31, T8S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

February 15, 2008

Date

  
\_\_\_\_\_  
Mary A. Maestas, Regulatory Assistant

Date of onsite: February 7, 2008.

# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR

HOSS #86-31  
SECTION 31, T8S, R23E, S.L.B.&M.  
1273' FSL 1237' FWL

FIGURE #1

Proposed Access Road

F-5.3'  
El. 50.8'

SCALE: 1" = 50'  
DATE: 12-07-07  
Drawn By: S.G.

Approx.  
Toe of  
Fill Slope

NOTE:  
Flare Pit is to  
be located a min.  
of 100' from the  
Well Head.

FLARE PIT  
Pit Topsoil

C-14.3'  
El. 58.4'  
(btm. pit)

Reserve Pit Backfill  
& Spoils Stockpile

15' WIDE BENCH

RESERVE PITS  
(12' Deep)

Total Pit Capacity  
w/12' of Freeboard  
= 14,950 Bbls. ±  
Total Pit Volume  
= 4,030 Cu. Yds

C-4.9'  
El. 61.0'

C-3.7'  
El. 59.8'

RIG DOG HOUSE

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

Sta. 0+50

TRASH

C-4.5'  
El. 60.6'

C-4.2'  
El. 60.3'

20' WIDE BENCH

STORAGE  
TANK

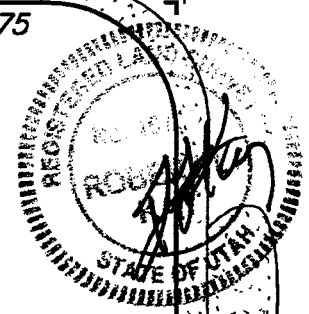
Sta. 0+00

Approx.  
Top of  
Cut Slope

F-3.9'  
El. 52.2'

F-2.4'  
El. 53.7'

Topsoil Stockpile



Elev. Ungraded Ground at Location Stake = 4859.8'

Elev. Graded Ground at Location Stake = 4856.1'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

# EOG RESOURCES, INC.

## TYPICAL CROSS SECTIONS FOR

HOSS #86-31

SECTION 31, T8S, R23E, S.L.B.&M.

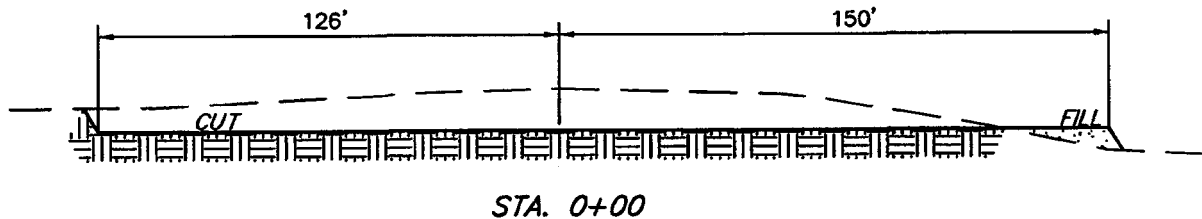
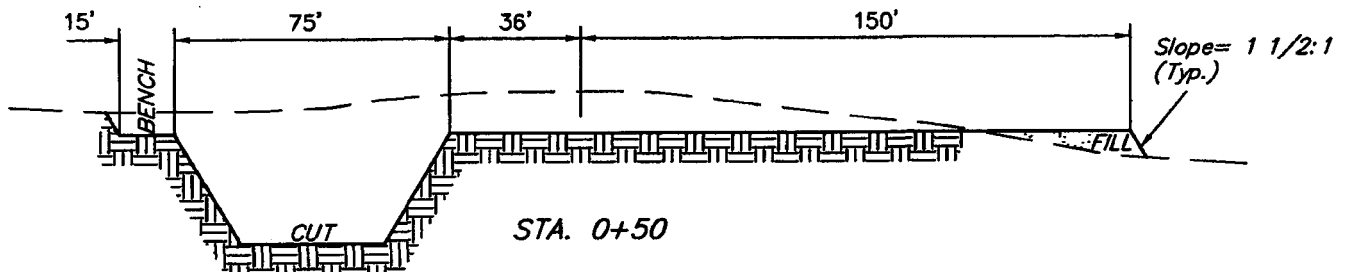
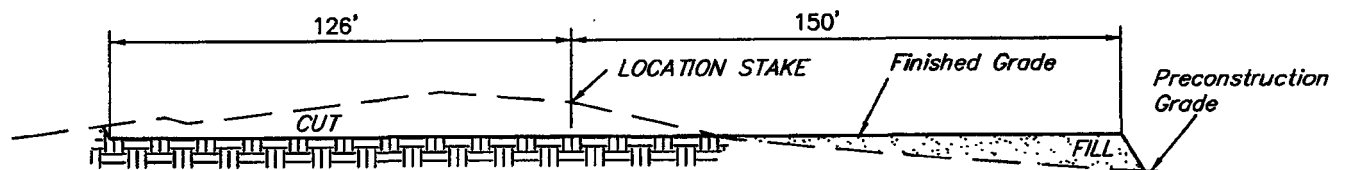
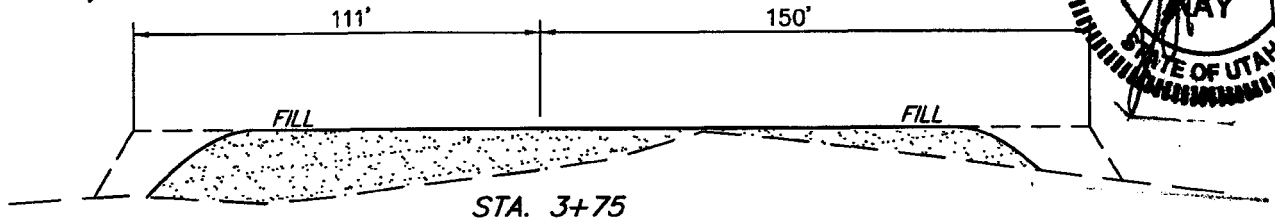
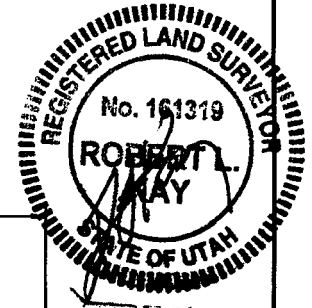
1273' FSL 1237" FWL

FIGURE #2

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 12-07-07

Drawn By: S.G.



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

### \* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

(6") Topsoil Stripping = 2,100 Cu. Yds.  
Remaining Location = 8,860 Cu. Yds.

TOTAL CUT = 10,960 CU.YDS.

FILL = 6,850 CU.YDS.

EXCESS MATERIAL = 4,110 Cu. Yds.

Topsoil & Pit Backfill = 4,110 Cu. Yds.  
(1/2 Pit Vol.)

EXCESS UNBALANCE = 0 Cu. Yds.  
(After Interim Rehabilitation)

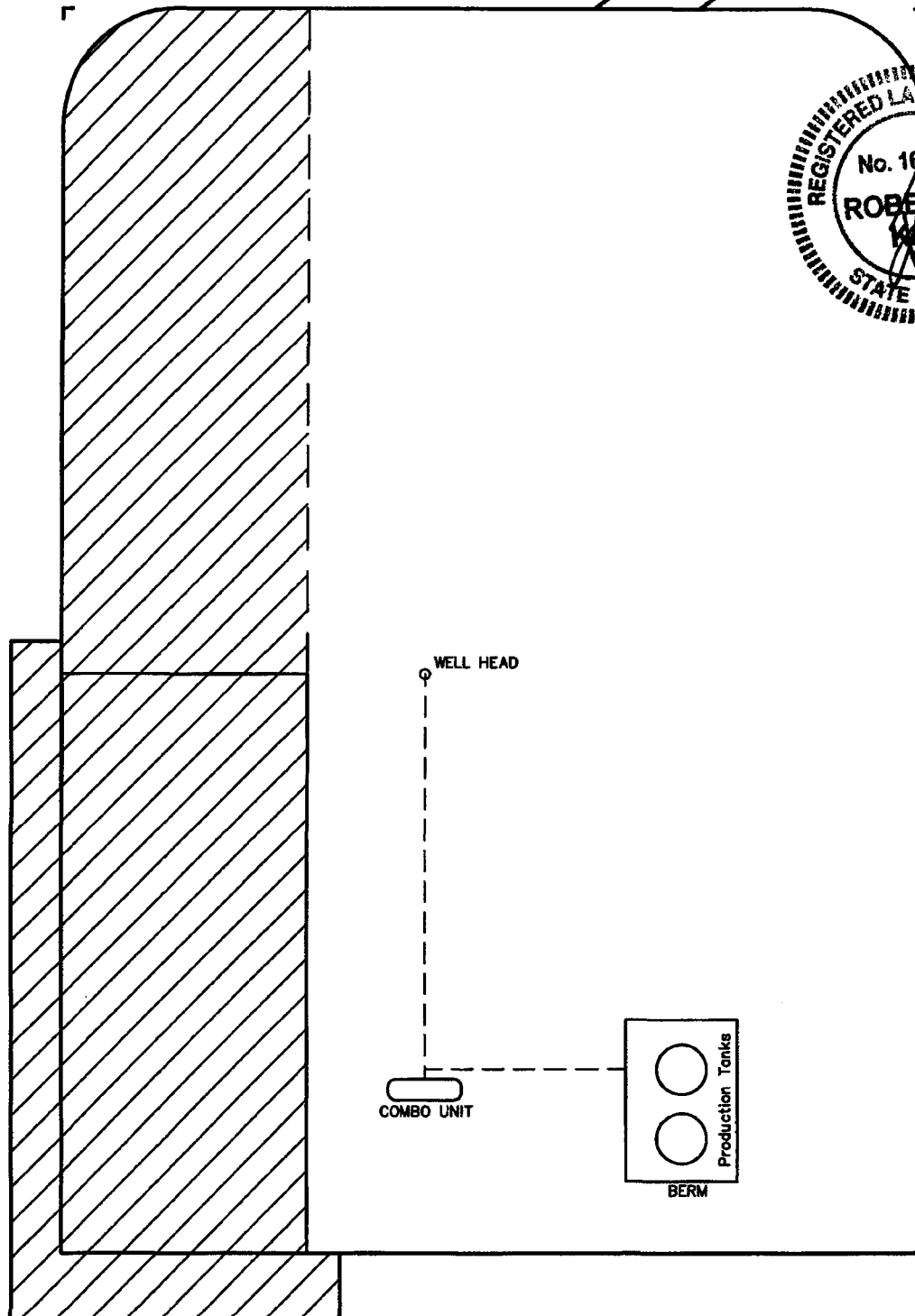
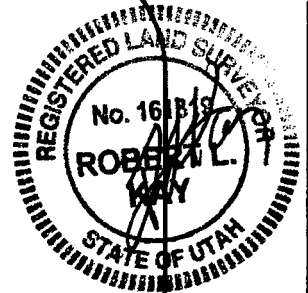
UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EOG RESOURCES, INC.  
PRODUCTION FACILITY LAYOUT FOR  
HOSS #86-31  
SECTION 31, T8S, R23E, S.L.B.&M.  
1273' FSL 1237" FWL

FIGURE #3

Access  
Road

SCALE: 1" = 50'  
DATE: 12-07-07  
Drawn By: S.G.



 RE-HABED AREA

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

# EOG RESOURCES, INC.

**HOSS #86-31**

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 31, T8S, R23E, S.L.B.&M.

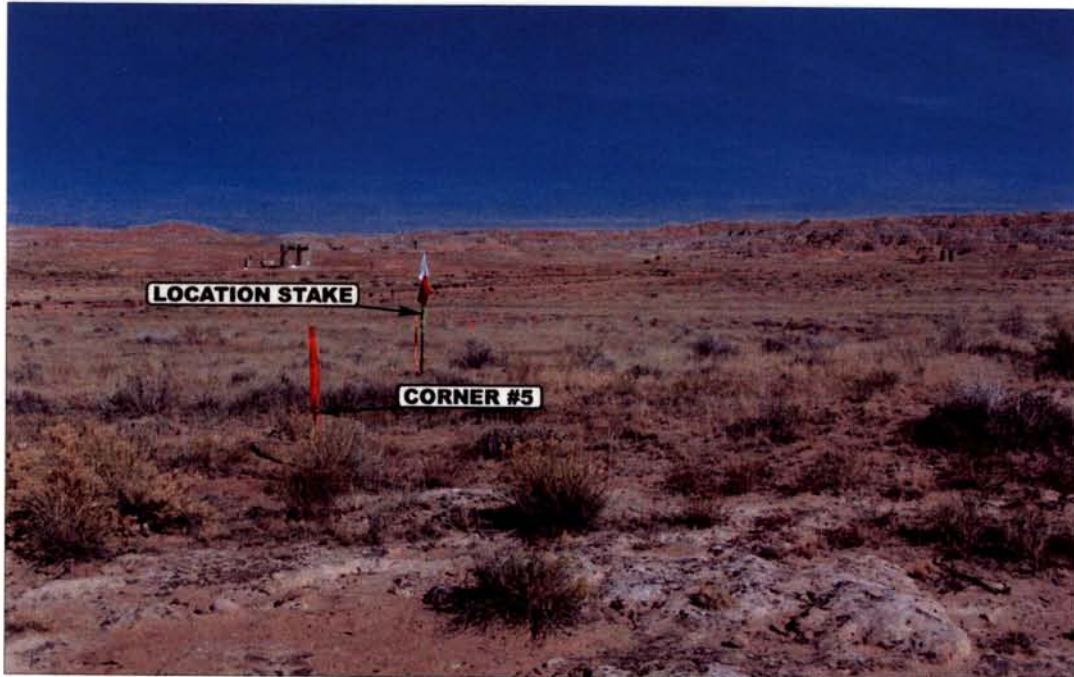


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

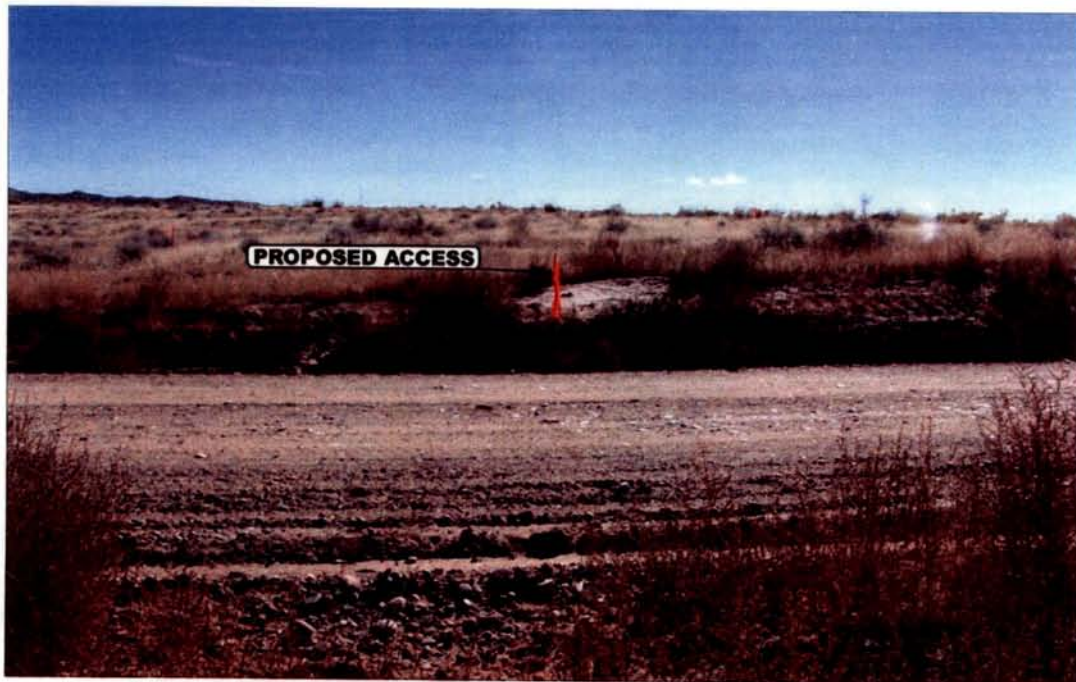


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

**10 31 07**  
MONTH DAY YEAR

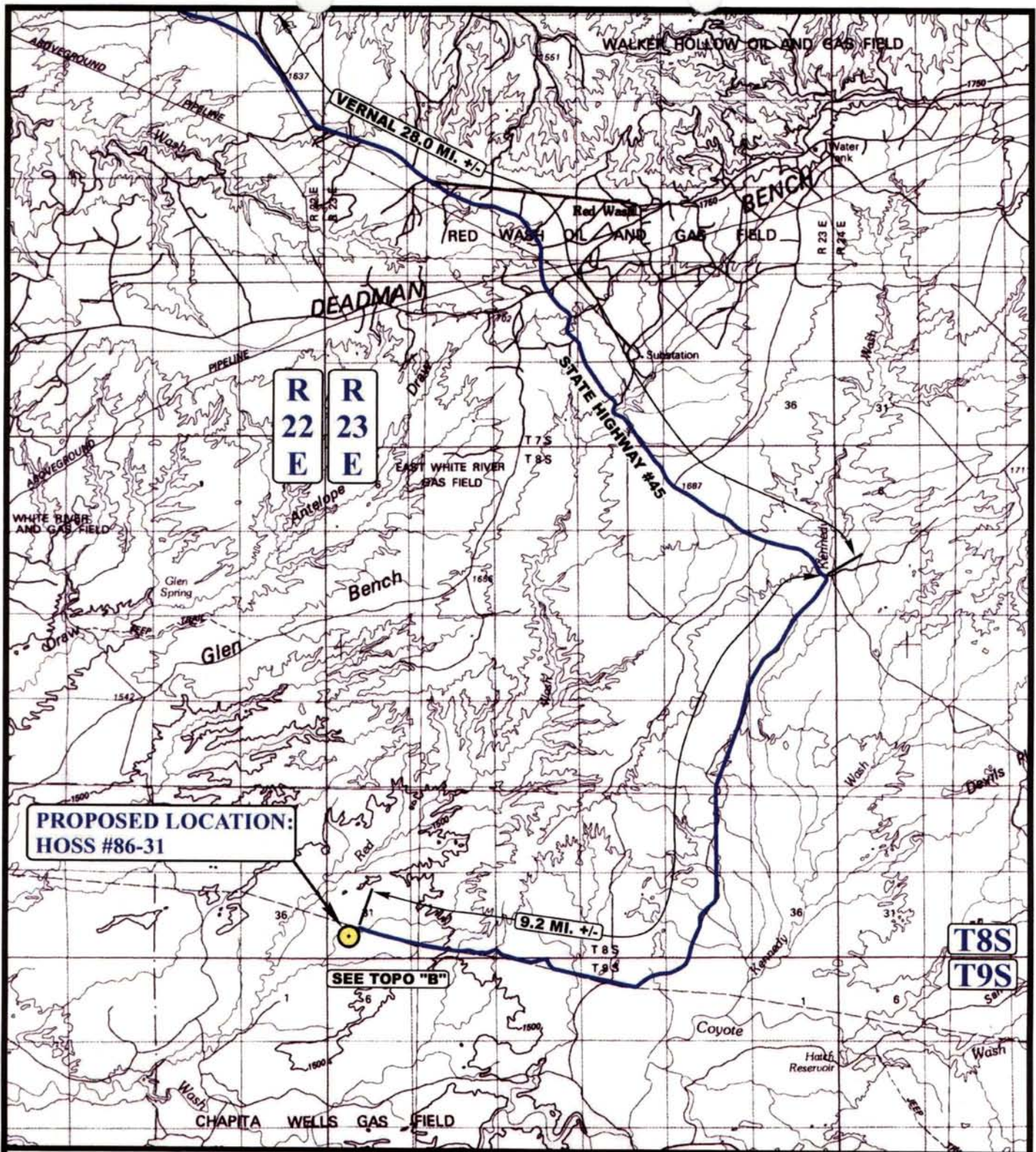
**PHOTO**

TAKEN BY: G.S.

DRAWN BY: C.P.

REVISED: 00-00-00





# **LEGEND:**

● EXISTING LOCATION

## **EOG RESOURCES, INC.**

HOSS #86-31  
SECTION 31, T8S, R23E, S.L.B.&M.  
1273' FSL 1237' FWL



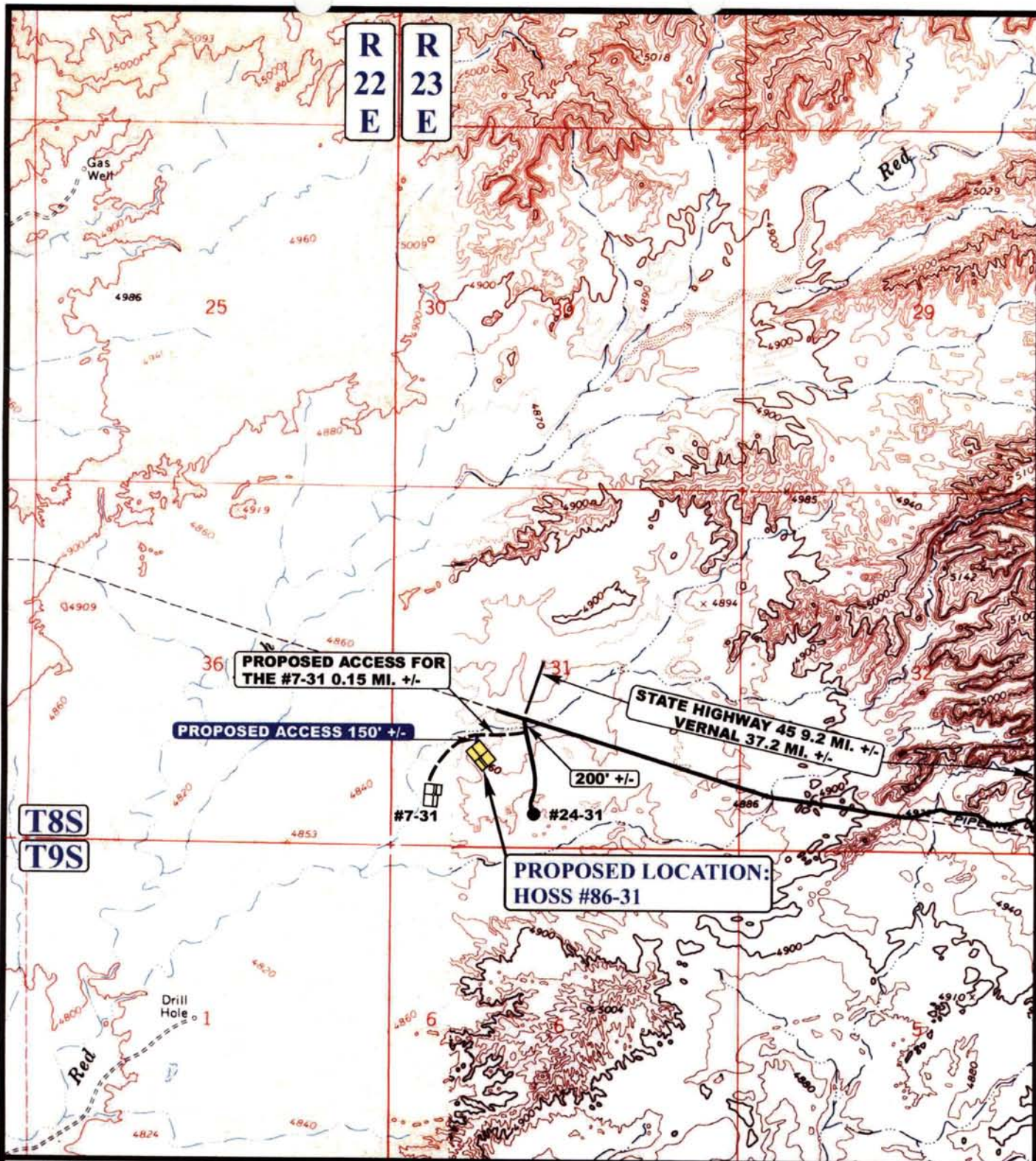
Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC** 10 31 07  
**MAP** MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00







# **LEGEND:**

— EXISTING ROAD  
 - - - PROPOSED ACCESS ROAD

**EOG RESOURCES, INC.**

**HOSS #86-31**  
**SECTION 31, T8S, R23E, S.L.B.&M.**  
**1273' FSL 1237' FWL**



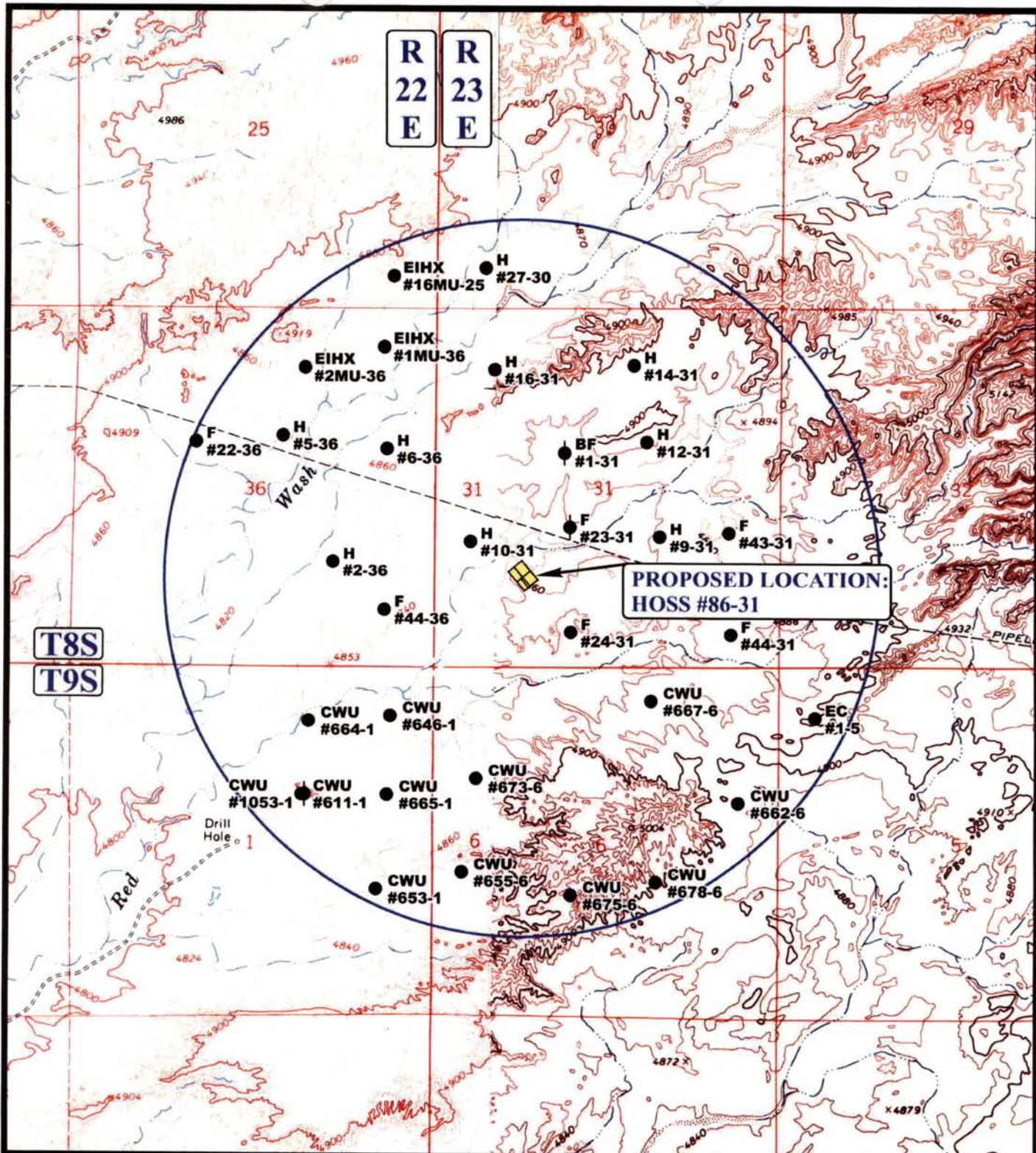
**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP** **10 31 07**  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**B**  
**TOPO**





# LEGEND:

- |                   |                         |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS  | ⊗ WATER WELLS           |
| ● PRODUCING WELLS | ⊗ ABANDONED WELLS       |
| ● SHUT IN WELLS   | ⊗ TEMPORARILY ABANDONED |



## EOG RESOURCES, INC.

HOSS #86-31  
SECTION 31, T8S, R23E, S.L.B.&M.  
1273' FSL 1237' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

10 31 07  
MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 00-00-00







**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/19/2008

API NO. ASSIGNED: 43-047-39946

WELL NAME: HOSS 86-31

OPERATOR: EOG RESOURCES, INC. ( N9550 )

PHONE NUMBER: 303-824-5526

CONTACT: MARY MAESTAS

PROPOSED LOCATION:

SWSW 31 080S 230E

SURFACE: 1273 FSL 1237 FWL

BOTTOM: 1273 FSL 1237 FWL

COUNTY: Uintah

LATITUDE: 40.07550 LONGITUDE: -109.3738

UTM SURF EASTINGS: 638664 NORTHINGS: 4437193

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU61401

PROPOSED FORMATION: WSMVD

SURFACE OWNER: 1 - Federal

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM2308 )

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit  
(No. 49-225 )

☒ RDCC Review (Y/N)  
(Date: )

☒ Fee Surf Agreement (Y/N)

☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

\_\_\_ R649-2-3.

Unit: BADLANDS

\_\_\_ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception

\_\_\_ Drilling Unit

Board Cause No: \_\_\_\_\_

Eff Date: \_\_\_\_\_

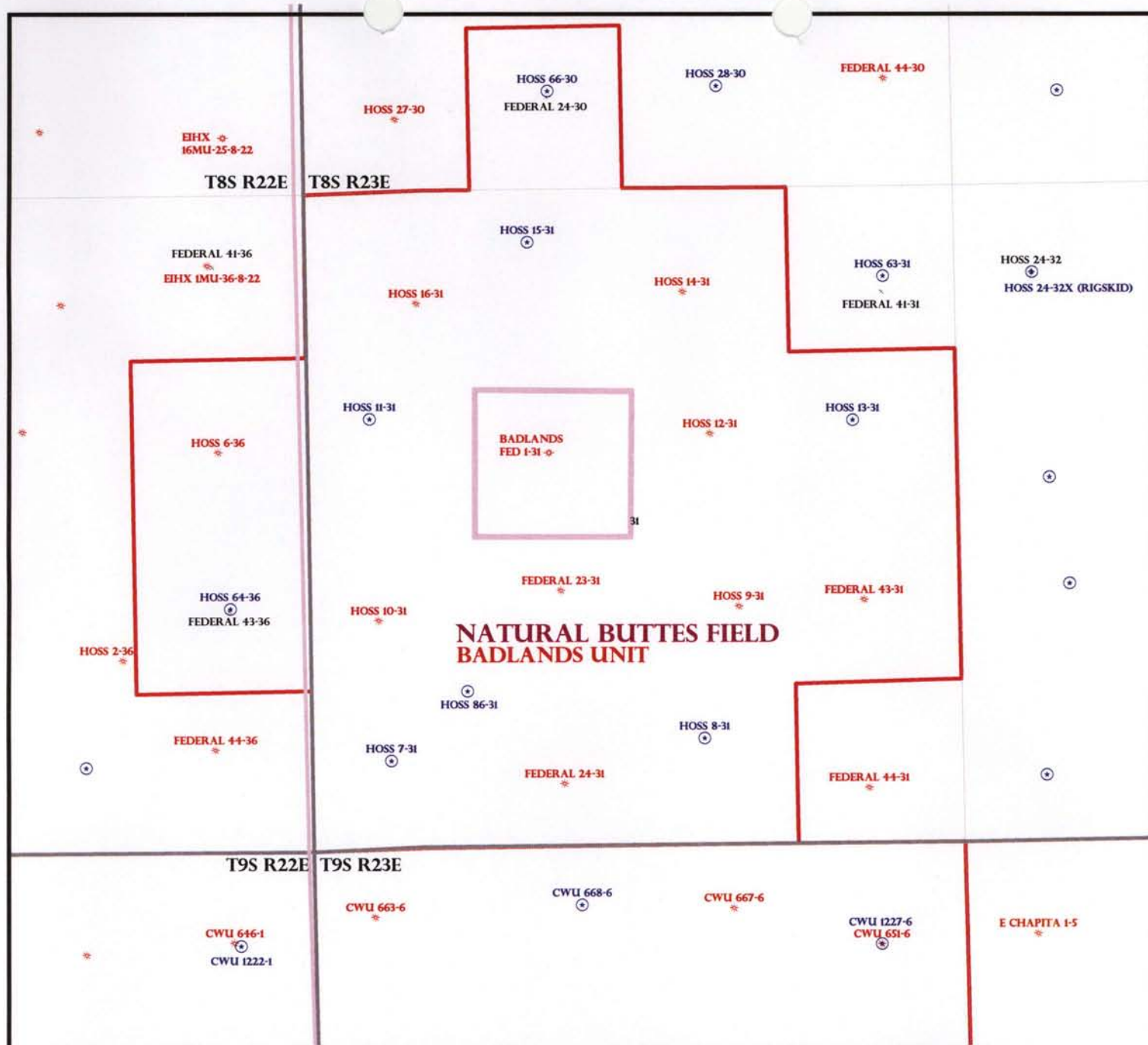
Siting: \_\_\_\_\_

\_\_\_ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Federal Approval  
2- Spacing Shp



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 31 T.8S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION

**Field Status**

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

**Wells Status**

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



OIL, GAS & MINING



PREPARED BY: DIANA MASON  
DATE: 25-FEBRUARY-2008

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

February 25, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2008 Plan of Development Badlands Unit,  
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2008 within the Badlands, Uintah County, Utah.

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-39946 HOSS 86-31 Sec 31 T08S R23E 1273 FSL 1237 FWL

We have no objections to permitting the well so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File - Badlands Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:2-25-08





**EOG Resources, Inc.**  
600 Seventeenth Street  
Suite 1000N  
Denver, CO 80202  
Main: 303-572-9000  
Fax: 303-824-5400

March 14, 2008

State of Utah  
Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Attention: Ms. Diana Whitney

RE: Request for Exception to Location  
and Siting of Wells  
Hoss 86-31  
SW/4SW/4 of Sec. 31-8S-23E, SLM  
Uintah County, Utah  
Ponderosa Prospect  
1500-G06, 0078813-000

Ladies and Gentlemen:

EOG Resources, Inc. ("EOG") proposes and respectfully requests permission to drill the Hoss 86-31, an 9,870' Wasatch/Mesaverde test well, at a location 1273' FSL, 1237' FWL (SW/4SW/4) of Section 31, Township 8 South, Range 23 East, SLM, Uintah County, Utah, which is not a location at which a well could be drilled in compliance with General Rule R649-3-2.

The subject Hoss 86-31 location was staked as a 20-acre pilot well. By drilling this well, EOG hopes to gather data to determine whether larger-scale downspacing of this area is feasible.

Enclosed is a copy of the survey plat for the proposed well and another plat labeled Exhibit "A" which depicts the outlines of the 40-acre drilling units established in General Rule R649-3-2 and the location at which EOG requests permission to drill the proposed Hoss 86-31 well. There are no other owners within the 460' radius of the proposed Hoss 86-31 well (see enclosed Exhibit "B").

EOG respectfully requests the Utah Division of Oil, Gas and Mining review and grant administrative approval of this application for an exception well location and permission to drill the proposed Wasatch/Mesaverde formation well described herein at its earliest opportunity.

**RECEIVED**

**MAR 17 2008**

DIV. OF OIL, GAS & MINING



Division of Oil, Gas and Mining  
March 14, 2008  
Page 2 of 2

If you have any questions or need any additional information, please do not hesitate to contact the undersigned.

Yours very truly,

**EOG RESOURCES, INC.**

A handwritten signature in black ink, appearing to read "Debbie Spears", written in a cursive style.

Debbie Spears  
Land Associate

/das

Enclosures

M:\das\exceptionlocation\hoss86-31.doc

cc: Kaylene Gardner (with copies of enclosures)  
Denver Well File (with copies of enclosures)

**T8S, R23E, S.L.B.&M.**

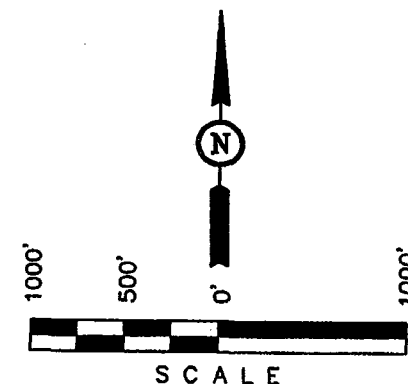
N89°55'13"E - 5185.58' (Meas.)

**EOG RESOURCES, INC.**

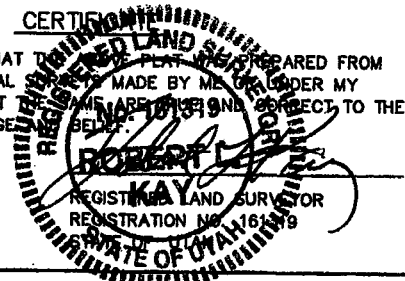
Well location, HOSS #86-31, located as shown in LOT 4, of Section 31, T8S, R23E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



THIS IS TO CERTIFY THAT THE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



**BASIS OF BEARINGS**

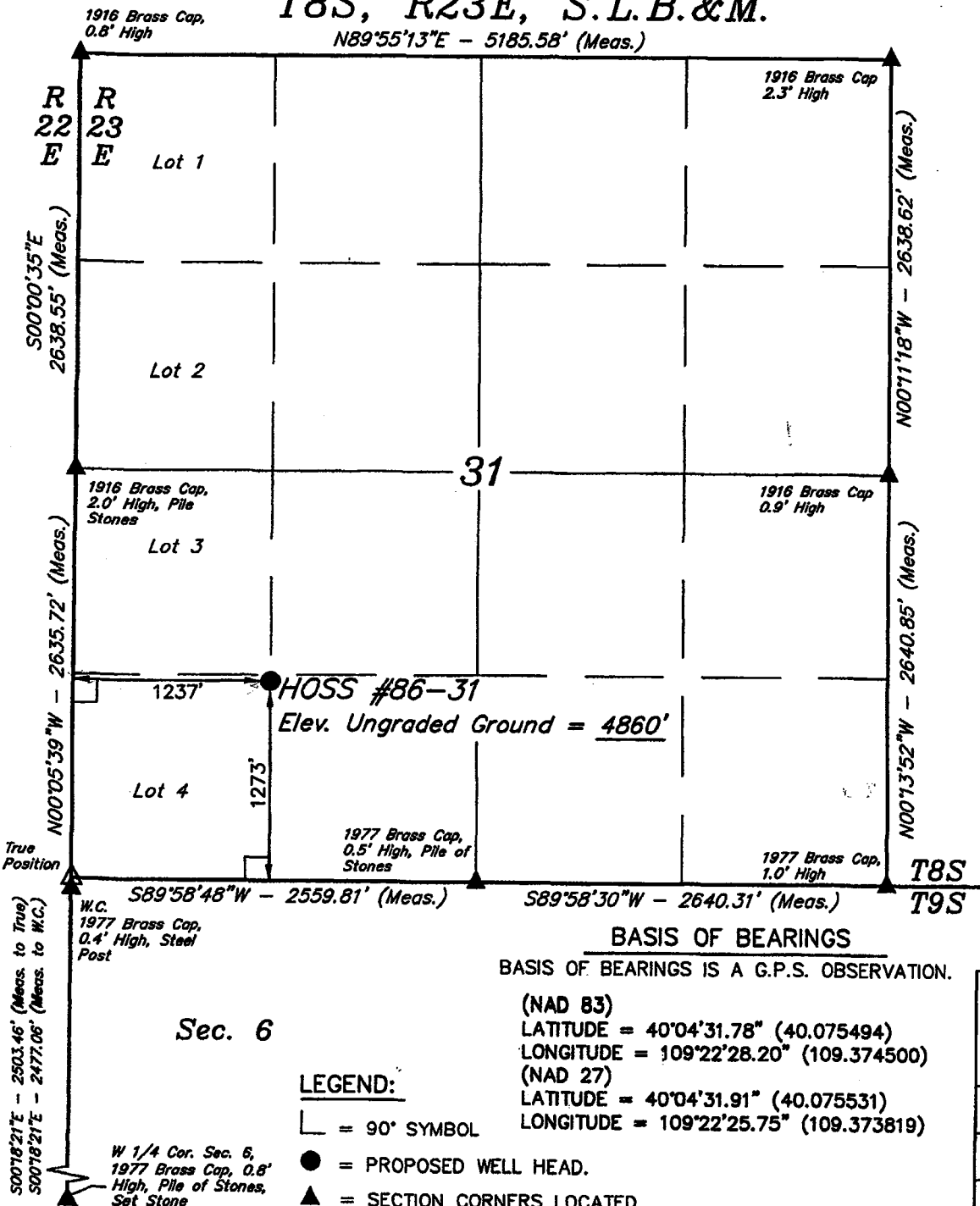
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)  
 LATITUDE = 40°04'31.78" (40.075494)  
 LONGITUDE = 109°22'28.20" (109.374500)  
 (NAD 27)  
 LATITUDE = 40°04'31.91" (40.075531)  
 LONGITUDE = 109°22'25.75" (109.373819)

**LEGEND:**

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

**Sec. 6**



**UINTAH ENGINEERING & LAND SURVEYING**

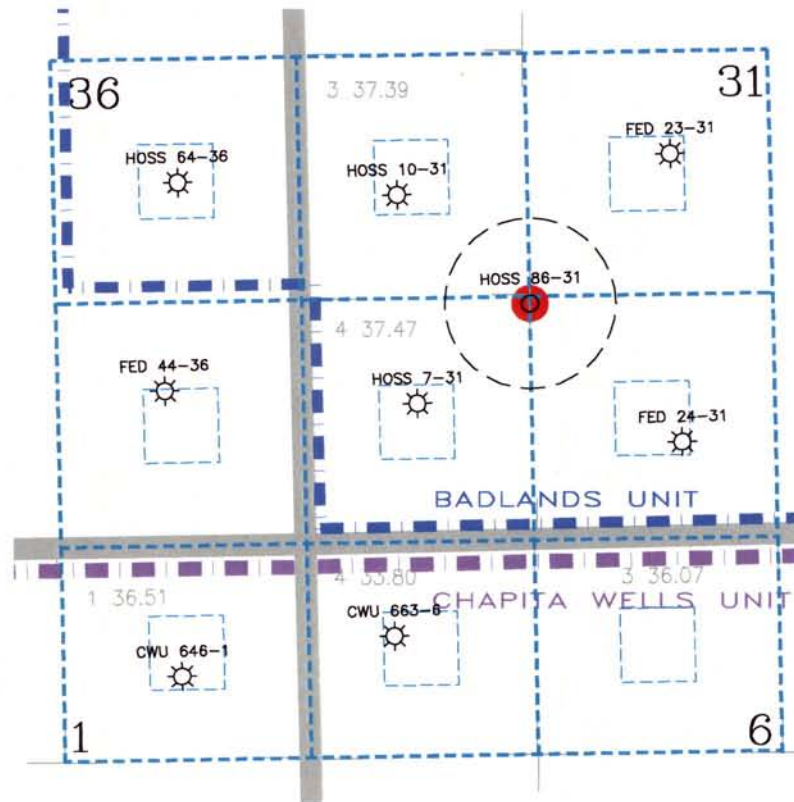
85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 09-11-07	DATE DRAWN: 12-06-07
PARTY G.S. B.C. S.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

R 22 E

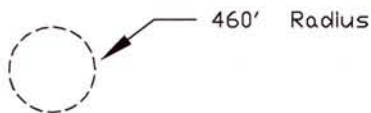
R 23 E



T 8 S

T 9 S

- Oil or Gas Well Location Pattern pursuant to Utah Administrative Code Rule R 649-3-2
- Legal window within which an oil and gas well could be drilled in compliance with R 649-3-2.



Locations at which oil or gas wells have been drilled

Location at which applicant requests permission to drill the proposed Hoss 86-31 Well  
1273' FSL, 1237' FWL, Lot 4 (SWSW) of Sec. 31, T8S, R23E

Scale: 1"=1000'

0 1/4 1/2 Mile



**Exhibit "A"**

**eog resources**

Denver Division

Application for  
Exception Well Location

**HOSS 86-31 Well**

UINTAH COUNTY, UTAH

Scale:  
1"=1000'

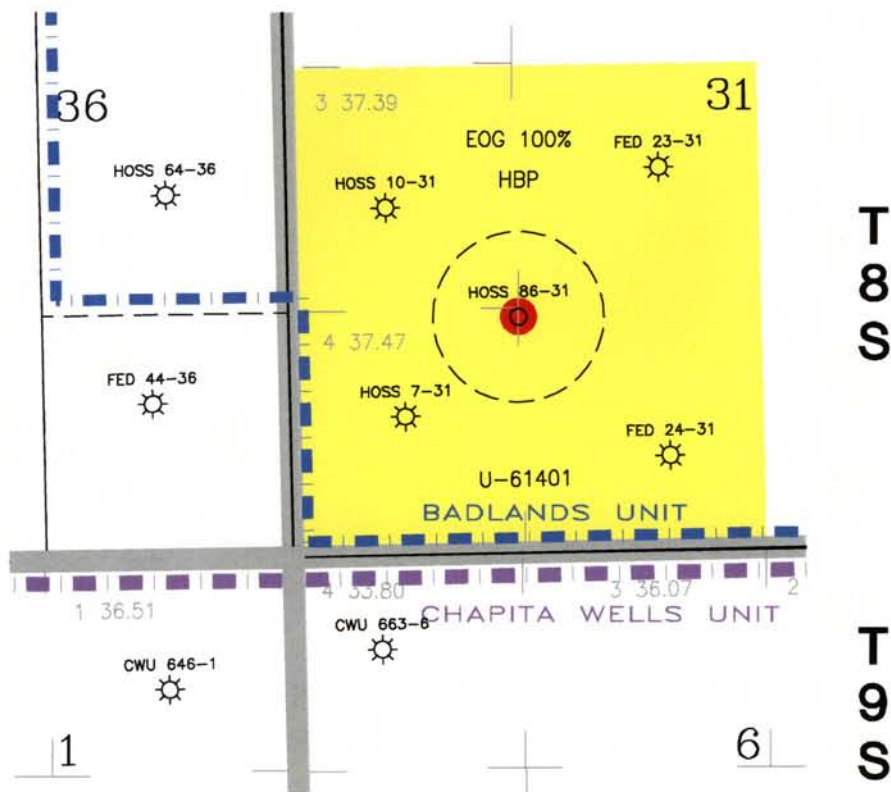
D:\utah\exception\_plat\Hoss86-31\exc.dwg  
exc\_A\_40

Author  
gt

Mar 13, 2008 -  
10:40am


R 22 E

R 23 E



Working Interest

 EOG 100%

 Location at which applicant requests permission to drill the proposed Hoss 86-31 Well  
1273' FSL, 1237' FWL, Lot 4 (SWSW) of Sec. 31, T8S, R23E

**Exhibit "B"**

Scale: 1"=1000'  
0 1/4 1/2 Mile



 **eog resources**

Denver Division

Application for  
Exception Well Location

**HOSS 86-31 Well**

UINTAH COUNTY, UTAH

Scale: 1"=1000'

D:\utah\exception\_plat\Hoss86-31exc.dwg  
exc\_B\_40

Author

Mar 13, 2008 -  
10:38am



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

March 20, 2008

EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078

Re: Hoss 86-31 Well, 1273' FSL, 1237' FWL, SW SW, Sec. 31, T. 8 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39946.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal Office

**Operator:** EOG Resources, Inc.

**Well Name & Number** Hoss 86-31

**API Number:** 43-047-39946

**Lease:** UTU61401

**Location:** SW SW **Sec.** 31 **T.** 8 South **R.** 23 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 (801) 733-0983 home

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

**5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-61401
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: Badlands Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1273' FSL & 1237' FWL 40.075494 LAT 109.374500 LON		8. WELL NAME and NUMBER: Hoss 86-31
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot 4 31 8S 23E S		9. API NUMBER: 43-047-39946
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Attached is a copy of the affidavit, map, and original letter sent to UDOGM on 3/19/2008.

COPY SENT TO OPERATOR

Date: 5.6.2008

Initials: KS

NAME (PLEASE PRINT) Mary A. Maestas	TITLE Regulatory Assistant
SIGNATURE <i>Mary A. Maestas</i>	DATE 4/8/2008

(This space for State use only)

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Federal Approval Of This  
Action Is Necessary

Date: 5/2/08  
By: *[Signature]*  
(See Instructions on Reverse Side)

RECEIVED  
APR 15 2008

DIV. OF OIL, GAS & MINING



**EOG Resources, Inc.**  
600 Seventeenth Street  
Suite 1000N  
Denver, CO 80202  
Main: 303-572-9000  
Fax: 303-824-5400

March 19, 2008

State Of Utah  
Division of Oil, Gas, and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801  
Attn: Mr. Dustin Doucet

**RE: Commingling Applications**

**Hoss 86-31  
Section 31, T8S, R23E  
Lease UTU-61401**

**Hoss 54-29  
Section 29, T8S, R23E  
Lease UTU-76042**

Mr. Doucet:

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbores. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached are maps showing the location of all wells on contiguous oil and gas leases or drilling units and affidavits showing that these applications have been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

If you have any questions or need any further information, please call me at 303-824-5526.

Sincerely,

A handwritten signature in cursive script that reads "Mary A. Maestas".

Mary A. Maestas  
Regulatory Assistant  
EOG Resources, Inc.

**RECEIVED**

**APR 15 2008**

**DIV. OF OIL, GAS & MINING**



STATE OF COLORADO )

) ss

COUNTY OF DENVER )

VERIFICATION

Mary A. Maestas, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant of EOG Resources, Inc., of Denver, Colorado. EOG Resources, Inc. is the operator of the following described well:


**Hoss 86-31  
1273' FSL - 1237' FWL (Lot 4/SWSW)  
SECTION 31, T8S, R23E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc., is the only owner in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.


On the 19<sup>th</sup> day of March, 2008 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, and the Bureau of Land Management.

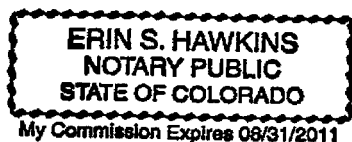
Further affiant saith not.

  
\_\_\_\_\_  
Mary A. Maestas  
Regulatory Assistant

Subscribed and sworn before me this 19<sup>th</sup> day of March, 2008.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:



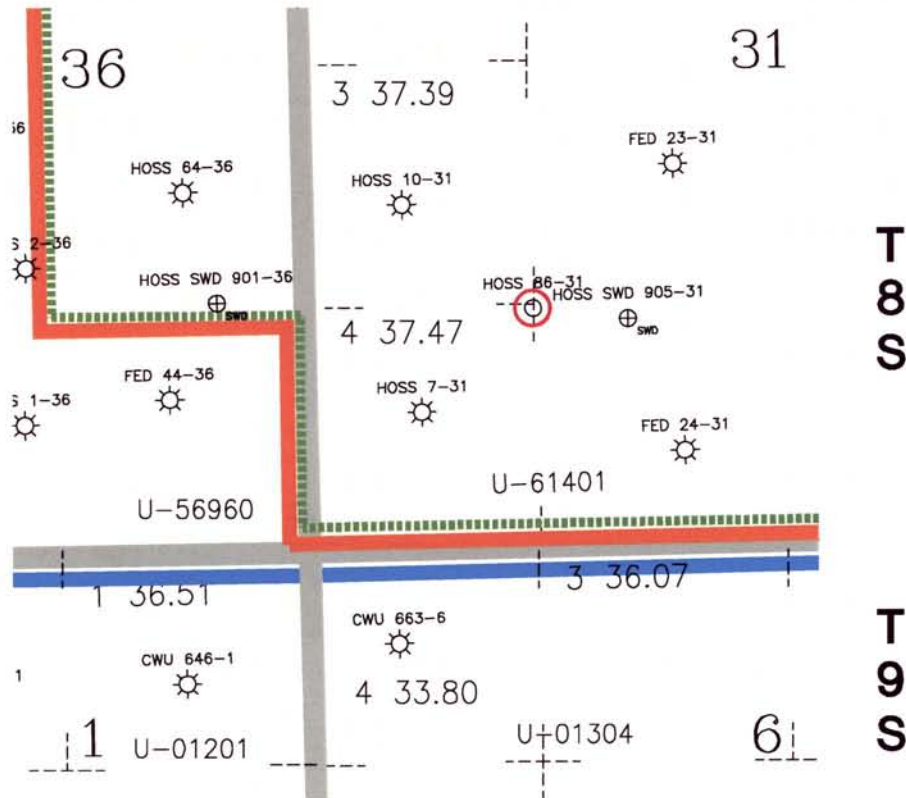
RECEIVED

APR 15 2008

DIV. OF OIL, GAS & MINING

R 22 E

R 23 E



○ HOSS 86-31

- Chapita Wells Unit Outline
- Badlands Unit Outline
- Wasatch/Mesaverde/Mancos Fms P.A. "B"

Scale: 1"=1000'

0 1/4 1/2 Mile



Denver Division

## EXHIBIT "A"

HOSS 86-31  
 Commingling Application  
 Uintah County, Utah

Scale: 1"=1000'

D:\utah\Commingled 1  
 Hoss86-31\_commingled.dwg  
 Layout1

Author  
 GT

Mar 18, 2008 -  
 11:21am

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FEB 15 2008

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU61401
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA Agreement, Name and No. UTU60917F <i>Badlands</i>
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	8. Lease Name and Well No. HOSS 86-31
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <i>Lot 4 1273FSL 1237FWL 40.07549 N Lat, 109.37450 W Lon</i> At proposed prod. zone <i>Lot 4 1273FSL 1237FWL 40.07549 N Lat, 109.37450 W Lon</i>		9. API Well No. <i>43-047-39946</i>
14. Distance in miles and direction from nearest town or post office* 37.35 MILES SOUTH OF VERNAL, UT		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1320'	16. No. of Acres in Lease 629.44	11. Sec., T., R., M., or Blk. and Survey or Area Sec 31 T8S R23E Mer SLB SME: BLM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 800'	19. Proposed Depth 9870 MD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4860 GL	22. Approximate date work will start	13. State UT
23. Estimated duration 45 DAYS		17. Spacing Unit dedicated to this well 40.00
20. BLM/BIA Bond No. on file NM2308		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 02/15/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) <i>[Signature]</i>	Date NOV 06 2008
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #58645 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 02/19/2008 (08GXJ2254AE)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED

DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: EOG Resources INC  
Well No: Hoss 86-31  
API No: 43-047-39946

Location: Lot 4, Sec. 31, T8S, R23E  
Lease No: UTU-61401  
Agreement: Badlands Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	(435) 828-3546
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	(435) 828-4029
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	(435) 828-7381
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

**SITE SPECIFIC CONDITIONS OF APPROVAL**

- Prevent fill and stock piles from entering drainages.
- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches, or gravel (from a private or commercial source) etc. shall be installed to control the erosion. Low-water crossings and culverts shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Bury pipelines at all low water crossings.
- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.
- No construction, drilling or fracing operations will occur within crucial year long pronghorn habitat May 15- June 20.
- No construction, drilling or fracing operations occur from March 1 through August 15 to protect the burrowing owl nesting season.

**DOWNHOLE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

**SITE SPECIFIC DOWNHOLE COAs:**

- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- Logging program: Gamma Ray shall be run from TD to surface.
- At the 9 5/8" casing shoe, a casing shoe formation integrity test shall be performed after drilling 20 feet or less, past the casing shoe.
- Air Drilling, Onshore Order #2, Variances' Granted:
  - Straight run blooie line: variance granted to use a non-straight blooie line.
  - Blooie line length: variance granted to use a 75' blooie line.
  - Dedusting equipment: variance granted to use aerated water system in lieu of deduster equipment.
  - Automatic igniter or continuous pilot light on the blooie line: variance granted to use aerated water system in lieu of igniter or pilot light.
  - Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore: variance granted to use truck/rig mounted air compressors that are less than 100 feet from the well bore and are not in the opposite direction from the well bore.
  - Properly lubricated and maintained rotating head: variance granted to use a properly maintained and lubricated stripper head.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.



## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or



data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-61401
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 Vernal UT 84078		7. UNIT or CA AGREEMENT NAME: Badlands Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1273' FSL & 1237' FWL 40.075494 LAT 109.374500 LON		8. WELL NAME and NUMBER: Hoss 86-31
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 31 8S 23E S.L.B. & M.		9. API NUMBER: 43-047-39946
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>REQUEST</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 03-11-09  
By: [Signature]

COPY SENT TO OPERATOR

Date: 3.12.2009

Initials: KS

NAME (PLEASE PRINT) <u>Mickenzie Thacker</u>	TITLE <u>Operations Clerk</u>
SIGNATURE <u>[Signature]</u>	DATE <u>2/23/2009</u>

(This space for State use only)

RECEIVED  
MAR 02 2009  
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-39946  
**Well Name:** Hoss 86-31  
**Location:** 1273 FSL & 1237 FWL (SWSW), SECTION 31, T8S, R23E S.L.B.&M  
**Company Permit Issued to:** EOG Resources, Inc.  
**Date Original Permit Issued:** 3/20/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Midennis Thacker  
Signature

2/23/2009  
Date

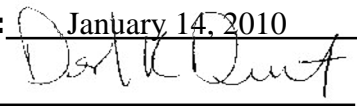
Title: Operations Clerk

Representing: EOG Resources, Inc.

**RECEIVED**

**MAR 02 2009**

**DIV. OF OIL, GAS & MINING**

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS
<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 10/11/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION  <input type="text"/> OTHER:         </div> </div>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> EOG Resources, Inc. requests authorization to change the drilling plan on the referenced well as per the attached. Item #4: Casing Program, Conductor; Item #5: Float Equipment, Production Hole Procedure; and Item #8: Evaluation Program.		
<b>Accepted by the Utah Division of Oil, Gas and Mining</b>		<b>Date:</b> January 14, 2010 <b>By:</b> 
<b>NAME (PLEASE PRINT)</b> Mary Maestas	<b>PHONE NUMBER</b> 303 824-5526	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 1/13/2010	

#### 4. CASING PROGRAM:

<u>CASING</u>	<u>Hole Size</u>	<u>Length</u>	<u>Size</u>	<u>WEIGHT</u>	<u>Grade</u>	<u>Thread</u>	<u>Rating Collapse</u>	<u>Factor Burst</u>	<u>Tensile</u>
Conductor	20"	40 – 60'	14"	32.5#	A252			1880 Psi	10,000#

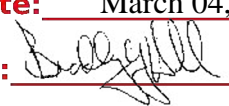
#### 5. FLOAT EQUIPMENT:

##### Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 3rd joint to 400' above the top of primary objective. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

#### 8. EVALUATION PROGRAM:

**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following: **CBL/CCL/VDL/GR**

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 3/4/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input checked="" type="checkbox"/> APD EXTENSION            OTHER:         </div> </div>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.		
<b>Approved by the Utah Division of Oil, Gas and Mining</b>		
<b>Date:</b> March 04, 2010		
<b>By:</b> 		
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/4/2010	



## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Request for Permit Extension Validation Well Number 43047399460000

**API:** 43047399460000

**Well Name:** HOSS 86-31

**Location:** 1273 FSL 1237 FWL QTR SWSW SEC 31 TWP 080S RNG 230E MER S

**Company Permit Issued to:** EOG RESOURCES, INC.

**Date Original Permit Issued:** 3/20/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Mickenzie Gates

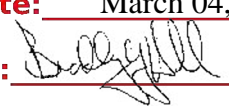
**Date:** 3/4/2010

**Title:** Operations Clerk **Representing:** EOG RESOURCES, INC.

**Date:** March 04, 2010

**By:**

**RECEIVED** March 04, 2010

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 3/4/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input checked="" type="checkbox"/> APD EXTENSION          OTHER:       </div> </div>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.		
<b>Approved by the Utah Division of Oil, Gas and Mining</b>  <b>Date:</b> March 04, 2010 <b>By:</b> 		
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates		<b>PHONE NUMBER</b> 435 781-9145
<b>SIGNATURE</b> N/A		<b>TITLE</b> Operations Clerk
<b>DATE</b> 3/4/2010		





## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Request for Permit Extension Validation Well Number 43047399460000

**API:** 43047399460000

**Well Name:** HOSS 86-31

**Location:** 1273 FSL 1237 FWL QTR SWSW SEC 31 TWP 080S RNG 230E MER S

**Company Permit Issued to:** EOG RESOURCES, INC.

**Date Original Permit Issued:** 3/20/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Mickenzie Gates

**Date:** 3/4/2010

**Title:** Operations Clerk **Representing:** EOG RESOURCES, INC.

**Date:** March 04, 2010

**By:**

**RECEIVED** March 04, 2010

## DIVISION OF OIL, GAS AND MINING

### SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: HOSS 86-31

Api No: 43-047-39946 Lease Type FEDERAL

Section 31 Township 08S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

### SPUDDED:

Date 10/04/2010

Time

How DRY

**Drilling will Commence:**

Reported by KENT DAVENPORT

Telephone # (435) 828-8200

Date 10/04/2010 Signed CHD

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>  <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:  <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:  <input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 10/4/2010  <input type="checkbox"/> DRILLING REPORT Report Date:	<b>TYPE OF ACTION</b>  <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE   <input type="checkbox"/> CHANGE TO PREVIOUS PLANS   <input type="checkbox"/> CHANGE WELL STATUS   <input type="checkbox"/> DEEPEN   <input type="checkbox"/> OPERATOR CHANGE   <input type="checkbox"/> PRODUCTION START OR RESUME   <input type="checkbox"/> REPERFORATE CURRENT FORMATION   <input type="checkbox"/> TUBING REPAIR   <input type="checkbox"/> WATER SHUTOFF   <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING   <input type="checkbox"/> CHANGE TUBING   <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS   <input type="checkbox"/> FRACTURE TREAT   <input type="checkbox"/> PLUG AND ABANDON   <input type="checkbox"/> RECLAMATION OF WELL SITE   <input type="checkbox"/> SIDETRACK TO REPAIR WELL   <input type="checkbox"/> VENT OR FLARE   <input type="checkbox"/> SI TA STATUS EXTENSION   <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR   <input type="checkbox"/> CHANGE WELL NAME   <input type="checkbox"/> CONVERT WELL TYPE   <input type="checkbox"/> NEW CONSTRUCTION   <input type="checkbox"/> PLUG BACK   <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION   <input type="checkbox"/> TEMPORARY ABANDON   <input type="checkbox"/> WATER DISPOSAL   <input type="checkbox"/> APD EXTENSION           OTHER: <input style="width: 100px;" type="text"/> </div> </div>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> The referenced well was spud on October 4, 2010.		
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> October 06, 2010		
<b>NAME (PLEASE PRINT)</b> Michelle Robles		<b>PHONE NUMBER</b> 307 276-4842
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Assistant
<b>DATE</b> 10/6/2010		

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> <b>ACIDIZE</b>	
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 10/4/2010	<input type="checkbox"/> <b>ALTER CASING</b>	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> <b>CHANGE TUBING</b>	
	<input type="checkbox"/> <b>CHANGE WELL STATUS</b>	
	<input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	
	<input type="checkbox"/> <b>DEEPEN</b>	
	<input type="checkbox"/> <b>FRACTURE TREAT</b>	
	<input type="checkbox"/> <b>OPERATOR CHANGE</b>	
	<input type="checkbox"/> <b>PLUG AND ABANDON</b>	
	<input type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	
	<input type="checkbox"/> <b>RECLAMATION OF WELL SITE</b>	
	<input type="checkbox"/> <b>REPERFORATE CURRENT FORMATION</b>	
	<input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>	
	<input type="checkbox"/> <b>TUBING REPAIR</b>	
	<input type="checkbox"/> <b>VENT OR FLARE</b>	
	<input type="checkbox"/> <b>WATER SHUTOFF</b>	
	<input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>	
	<input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>	
	<input checked="" type="checkbox"/> <b>OTHER</b>	
	<b>OTHER:</b> <span style="border: 1px solid black; padding: 2px;">Drilling Operations</span>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> No activity has occurred since spud on October 4, 2010.		
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> October 06, 2010		
<b>NAME (PLEASE PRINT)</b> Michelle Robles	<b>PHONE NUMBER</b> 307 276-4842	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 10/6/2010	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>			
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401			
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>			
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS			
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40, Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31			
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000			
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES			
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH			
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>					
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>				
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 10/4/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input checked="" type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION            OTHER: <input style="width: 100px;" type="text"/> </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input checked="" type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input checked="" type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>			
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> EOG Resources, Inc. respectfully requests authorization for the disposal of produced water at the following locations: 1. NBU 20-20B SWD 2. CWU 550-30N SWD 3. CWU 2-29 SWD 4. Red Wash Evaporation Ponds 1,2,3,4,5,6&7 5. White River Evaporation Ponds 1&2 6. RNI Disposal 7. Hoss SWD Wells ROW# UTU86010 & UTU897093					
<b>Accepted by the Utah Division of Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> October 07, 2010					
<b>NAME (PLEASE PRINT)</b> Michelle Robles	<b>PHONE NUMBER</b> 307 276-4842	<b>TITLE</b> Regulatory Assistant			
<b>SIGNATURE</b> N/A	<b>DATE</b> 10/6/2010				

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc.  
Address: 1060 East Highway 40  
city Vernal  
state UT zip 84078

Operator Account Number: N 9550

Phone Number: (307) 276-4842

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39946	HOSS 86-31		SWSW	31	8S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	10960	10/4/2010		10/11/10		
Comments: <u>WASATCH/MESAVERDE = W57MVM</u> <u>unit pa</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Michelle Robles

Name (Please Print)

Michelle Robles

Signature

Regulatory Assistant

10/6/2010

Title

Date

**RECEIVED**

**OCT 06 2010**

DIV. OF OIL, GAS & MINING

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> <b>ACIDIZE</b>	
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> <b>ALTER CASING</b>	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> <b>CASING REPAIR</b>	
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 11/2/2010	<input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	
	<input type="checkbox"/> <b>CHANGE TUBING</b>	
	<input type="checkbox"/> <b>CHANGE WELL STATUS</b>	
	<input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	
	<input type="checkbox"/> <b>DEEPEN</b>	
	<input type="checkbox"/> <b>FRACTURE TREAT</b>	
	<input type="checkbox"/> <b>OPERATOR CHANGE</b>	
	<input type="checkbox"/> <b>PLUG AND ABANDON</b>	
	<input type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	
	<input type="checkbox"/> <b>RECLAMATION OF WELL SITE</b>	
	<input type="checkbox"/> <b>REPERFORATE CURRENT FORMATION</b>	
	<input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>	
	<input type="checkbox"/> <b>TUBING REPAIR</b>	
	<input type="checkbox"/> <b>VENT OR FLARE</b>	
	<input type="checkbox"/> <b>WATER SHUTOFF</b>	
	<input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>	
	<input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>	
	<input type="checkbox"/> <b>OTHER:</b> <input style="width: 100px;" type="text"/>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> Please see the attached well chronology report for the referenced well showing all activity up to 10/28/10.		
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> November 02, 2010		
<b>NAME (PLEASE PRINT)</b> Michelle Robles	<b>PHONE NUMBER</b> 307 276-4842	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 11/2/2010	

# WELL CHRONOLOGY REPORT

Report Generated On: 11-02-2010

<b>Well Name</b>	HOSS 086-31	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	PONDEROSA	<b>API #</b>	43-047-39946	<b>Well Class</b>	DRIL
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	10-23-2010	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,870/ 9,870	<b>Property #</b>	062520
<b>Water Depth</b>	0	<b>Last CSG</b>	4.5	<b>Shoe TVD / MD</b>	9,866/ 9,866
<b>KB / GL Elev</b>	4,872/ 4,856				
<b>Location</b>	Section 31, T8S, R23E, SWSW (LOT 4), 1273 FSL & 1237 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	77.015

AFE No		306093		AFE Total		1,635,700		DHC / CWC		652,700/ 983,000													
Rig Contr		TRUE		Rig Name		TRUE #34		Start Date		02-20-2008		Release Date		10-28-2010									
02-20-2008		Reported By		CYNTHIA HANSELMAN																			
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0													
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0													
MD		0		TVD		0		Progress		0		Days		0		MW		0.0		Visc		0.0	
Formation :				PBTD : 0.0				Perf :				PKR Depth : 0.0											

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1273' FSL & 1237' FWL (SW/SW)
			SECTION 31, T8S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.075494, LONG 109.374500 (NAD 83)
			LAT 40.075531, LONG 109.373819 (NAD 27)
			TRUE #34
			OBJECTIVE: 9870' TD, MESAVERDE
			DW/GAS
			PONDEROSA PROSPECT
			DD&A: CHAPITA DEEP WELLS
			NATURAL BUTTES FIELD
			LEASE: UTU-61401
			ELEVATION: 4859.8' NAT GL, 4856.1' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4856'), 4875' KB (19')
			EOG WI 100%, NRI 67.014938%

09-29-2010      Reported By      TERRY CSERE

**RECEIVED** November 02, 2010



<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION BUILD START TODAY.

09-30-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

10-01-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 70% COMPETE.

10-04-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STARTING CLOSED LOOP SYSTEM.

10-05-2010 Reported By TERRY CSERE/GERALD ASHCRAFT

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: SPUD NOTIFICATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CLOSED LOOP 10% COMPLETE. CRAIG'S ROUSTABOUT SPUD A 20" HOLE ON 10/04/10 @ 2:00 PM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 10/03/10 @ 04:40 PM.

10-06-2010 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$75,000	Completion	\$0	Well Total	\$75,000

MD	60	TVD	60	Progress	0	Days	0	MW	0.0	Visc	0.0
----	----	-----	----	----------	---	------	---	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

10-07-2010 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$75,000	Completion	\$0	Well Total	\$75,000

MD	60	TVD	60	Progress	0	Days	0	MW	0.0	Visc	0.0
----	----	-----	----	----------	---	------	---	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 70% COMPLETE.

10-08-2010 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$75,000	Completion	\$0	Well Total	\$75,000

MD	60	TVD	60	Progress	0	Days	0	MW	0.0	Visc	0.0
----	----	-----	----	----------	---	------	---	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: WO SURFACE RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

10-19-2010 Reported By KERRY SALES

DailyCosts: Drilling	\$215,790	Completion	\$0	Daily Total	\$215,790
Cum Costs: Drilling	\$290,790	Completion	\$0	Well Total	\$290,790

MD	2,734	TVD	2,734	Progress	0	Days	0	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	---	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 10/09/2010. DRILLED 12-1/4" HOLE TO 2715' GL (2734' KB). ENCOUNTERED NO WATER. HAMMER DRILLED WITH AIR AND FOAM TO 1000'. ROTARY AIR MIST DRILL TO 1480' AND FLUID DRILLED TO TD (PUMPED 1100 BBL OF MUD AWAY). CIRCULATE HOLE CLEAN.

RAN 63 JTS (2703.13') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2722.13' KB. RDMO CRAIGS RIG #2. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 200 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. LEAD: 250 SACK'S (183 BBLs) OF PREMIUM CEMENT W/ 0.2% VARSET, 2% CALSEAL, & 2% EX-1. 10.5 PPG, YIELD 4.1 CF/SX. TAIL: MIXED AND PUMPED 300 SACK'S (64 BBLs) OF PREMIUM CEMENT W/ 2% CALCL MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/205 BBLs FRESH WATER. BUMPED PLUG W/800# @ 17:38, 10/17/2010 FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE. FCP 250 PSI. LOST RETURNS 45 BBL IN TO DISPLACEMENT. WOC 1 HOUR.

TOP JOB # 1: DOWN 200' OF 1" PIPE, MIXED & PUMPED 100 SX (20.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS DURING ANY PART OF THE OPERATION. WAIT ON CEMENT 2 HOURS.

TOP JOB # 2: MIXED & PUMPED 100 SX (20.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HOURS.

TOP JOB # 3: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS DURING ANY PART OF THE OPERATION.

TOP JOB # 4: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 5: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 4 HRS.

TOP JOB # 6: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 7: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. 2 BBL BACK TO SURFACE. RDMO HALLIBURTON CEMENTERS. TOTAL TOP OUT 450 SACK'S.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIG'S RIG 2 TOOK 3 SURVEYS WHILE DRILLING HOLE @ 1510' = .5 DEGREES, 1990' = 1 DEGREE AND 2700' = 2.75 DEGREES.

KENT DEVENPORT NOTIFIED THE BLM VIA E-MAIL OF THE SURFACE CASING & CEMENT JOB ON 10/13/2010 @ 02:00 PM. AND DALL COOK NOTIFIED CAROL DANIELS W/ UDOGM BY VOICE MESSAGE. NOTIFICATIONS SENT ON 10/11/2010 @ 10:30 AM.

10-23-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$111,436		Completion		\$0		Daily Total		\$111,436	
Cum Costs: Drilling		\$402,226		Completion		\$0		Well Total		\$402,226	
MD	2,734	TVD	2,734	Progress	0	Days	0	MW	9.6	Visc	34.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING SHOE TRACK											
Start	End	Hrs	Activity Description								
06:00	11:00	5.0	SAFETY MEETING WITH JONES TRUCKING CREW & RIG CREWS, RW JONES MOVED RIG 5.6 MI. FROM HOSS 84-35 TO HOSS 86-31 @ 06:00. RIG ON LOCATION @ 11:00 HRS.,								
11:00	19:00	8.0	RU/RT. RAISE DERRICK @ 15:00 HRS. TRUCKS RELEASED @ 16:00 HRS. FMC SERVICEMAN LOCKED DTO DRLG CONNECTOR AND TEST TO 5000 PSI. OK. PRE SPUD RIG INSPECTION COMPLETE.								
			RIG ACCEPTED ON DAYWORK @ 19:00 HRS. 10/22/2010.								
19:00	22:30	3.5	HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES. ALL TEST GOOD.								
22:30	23:00	0.5	TEST 9 5/8" CASING 1500 PSI FOR 30 MINUTES. ALL TEST GOOD. BLM & UDOGM DID NOT WITNESS TEST								

23:00 23:30 0.5 INSTALL WEAR BUSHING.

23:30 03:30 4.0 PJSM FRANKS LD MACHINE CREW. RU EQUIPMENT. PICK UP 7 7/8" SMITH PDC BIT, BHA & DP ON TRIP IN HOLE. TAG CMT @ 2659'. R/D FRANKS P/U MACHINE.

03:30 04:00 0.5 INSTALL ROT. HEAD RUBBER, DRIVE BUSHING. TORQUE KELLY.

04:00 06:00 2.0 DRILL CEMENT AND FLTS F/2659' TO 2722' AND 23' OF NEW HOLE TO 2757'. CBU FOR FIT. (FUNC COM F/DRILLING). PUMP 456 GPM @ 120 SPM, 1600 PSI. DIFF 120, ROT 47, MOTOR RPM 72. MUD WEIGHT 9.6 PPG, VISCOSITY 34 SEC./QT.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS; MOVING & RURT. TEST BOPE & P/U BHA.

TRANSFER 4JT'S (162') 4.5" 11.6#, N-80 LTC PROD. CASING, 2 MARKER JTS. 4.5" 11.6#, P-110 MARKER (21.18') AND 2052 GALLONS FUEL TO THE HOSS 86-31.

FUEL ON HAND .5856 GALLONS, USED 396 GALLONS. RECEIVED 4200 GALLONS

BLM & UDOGM DID NOT HAVE A REPRESENTATIVE TO WITNESS BOP AND SURFACE CASING TEST.

WEATHER; SHOWERS, TEMP 43 DEG. DEW PT. 39 DEG. WINDS CALM. VISIBILITY 10 MI.

10-24-2010 Reported By GLEN PRUET

DailyCosts: Drilling \$37,126 Completion \$0 Daily Total \$37,126

Cum Costs: Drilling \$439,352 Completion \$0 Well Total \$439,352

MD 5,476 TVD 5,476 Progress 2,742 Days 1 MW 9.5 Visc 34.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 5476'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL FORMATION F/2734' - 2757' (23' @ 43 F/H) 47 ROTARY, 72 MOTOR, PUMP #2 120 SPM, 456 GPM, 1600 PSI, 120 PSI DIFF. MUD WEIGHT 9.6 PPG, VISCOSITY 34 SEC./QT. CBU AND PERFORM FIT @ 2557' (9.6 PPG MUD + 158 PSI SIP= 10.7 PPG EMW.
06:30	08:30	2.0	DRILL 2757' TO 3072, (315') 157.5 FPH. 45/55 RPM + 72 RPM ON MOTOR. WOB 12-18. PUMP 456 GPM @ 120 SPM. SPP 1850 PSI, DIFF 240. DRILLING MAHOGANY OIL SHALE BED F/2734'. FUNC COM F/DRILLING. BOP DRILL @ 9072', 90 SEC. TO SECURE WELL.
08:30	09:00	0.5	SURVEY @ 2992', 0.41 DEG.
09:00	10:30	1.5	DRLG. F/3072' TO 3219' (147') 98 FPH. 50/60 RPM + 73 RPM ON MOTOR. WOB 18/20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2000 PSI, DIFF 140/250 DRLG.: MAHOGANY OIL SHALE F/2734'. MUD WT 9.6 PPG.
10:30	11:00	0.5	SERVICE RIG
11:00	16:30	5.5	DRILLING F/3219' TO 4070' (851') 154.7'/HR. 55 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2050 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED F/2734'. MUD WT. 9.4 VIS 33.
16:30	17:00	0.5	SURVEY @ 3990', 0.92 DEG.
17:00	00:30	7.5	DRLG. F/4070' TO 5069' (999') 133.2 FPH. 60 RPM + 73 RPM ON MOTOR. WOB 18/20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2350 PSI, DIFF 220/360 DRLG.: MAHOGANG F/2734', WASATCH F/5059'. BOP DRILL @ 9072', 78 SEC. TO SECURE.
00:30	01:00	0.5	SURVEY @ 4989', 1.30 DEG.
01:00	06:00	5.0	DRLG. F/5069' TO 5476' (407') 81.4 FPH. 55 RPM + 71 RPM ON MOTOR. WOB 18/20K. PUMP 448 GPM @ 118 SPM #2 PUMP, SPP 2140/2415 PSI, DIFF 240/470 DRLG.: WASATCH F/5059'. MUD WEIGHT 9.8, VIS 35. BOP DRILL @ 3070', & 4537'.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; RIG SERVICE POTENTIAL HAZARDS. P/U PIPE IN V DOOR.

FUEL ON HAND 8892 GAL. USED 964 GAL. RECEIVED 4000 GALLONS RIG DIESEL.

WEATHER; SHOWERS, TEMP 43 DEG. VISIBILITY 10 MI.

06:00

SPUD 7 7/8" HOLE @ 06:30 HRS, 10/23/2010.

**10-25-2010**      **Reported By**      GLEN PRUET**DailyCosts: Drilling**      \$31,826      **Completion**      \$0      **Daily Total**      \$31,826**Cum Costs: Drilling**      \$471,178      **Completion**      \$0      **Well Total**      \$471,178**MD**      7,118      **TVD**      7,118      **Progress**      1,642      **Days**      2      **MW**      9.8      **Visc**      35.0**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0****Activity at Report Time:** DRILLING @ 7118'**Start**      **End**      **Hrs**      **Activity Description**

06:00      13:30      7.5      DRLG. F/5476' TO 6133' (657') 87.6 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/18K. PUMP 425 GPM @ 112 SPM #2 PUMP, SPP 2350 PSI, DIFF 240 DRLG.: WASATCH F/5059', CHAPITA WELLS F/5665'. FUNC. COM DRLG.

13:30      14:00      0.5      SERVICE RIG.

14:00      06:00      16.0      DRLG. F/6133' TO 7118' (985') 61.56 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/20K. PUMP 425 GPM @ 121 SPM #1 PUMP, SPP 2350/2550 PSI, DIFF 225/360 DRLG.: BUCK CANYON F/6338', NORTH HORN F/6973'. FUNC. COM DRILLING.

MUD WEIGHT 10.1, VIS 37.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; HANDLING CHEMICAL. INSTALLING WIND WALLS.

FUEL ON HAND 7524 GAL. USED 1368 GAL.

WEATHER; HEAVY RAIN/WIND, TEMP 43 DEG. HUMIDITY 100 %, DEW PT 39 DEG. VIS 6 MI.

**10-26-2010**      **Reported By**      GLEN PRUET**DailyCosts: Drilling**      \$23,207      **Completion**      \$0      **Daily Total**      \$23,207**Cum Costs: Drilling**      \$494,385      **Completion**      \$0      **Well Total**      \$494,385**MD**      8,495      **TVD**      8,495      **Progress**      1,377      **Days**      3      **MW**      10.1      **Visc**      37.0**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0****Activity at Report Time:** DRILLING @ 8495'**Start**      **End**      **Hrs**      **Activity Description**

06:00      16:00      10.0      DRLG. F/7118' TO 7760' (642') 64.2 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/20K. PUMP 425 GPM @ 120 SPM #1 PUMP, SPP 2350/2550 PSI, DIFF 225/360 DRLG.:NORTH HORN F/6973'. FUNC. COM DRILLING.

16:00      16:30      0.5      SERVICE RIG.

16:30      06:00      13.5      DRLG. F/7760' TO 8495' (735') 54.4 FPH. 50/55 RPM + 65/68 RPM ON MOTOR. WOB 18/20K. PUMP 412/425 GPM @ 116/121 SPM #1 PUMP, SPP 2550/2650 PSI, DIFF 225/360 DRLG.: KMV PRICE RIVER F/7512', MIDDLE PRICE F/8322'. . FUNC. COM DRILLING.

MUD WEIGHT 10.9, VIS 39.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; WORKING IN SEVERE WEATHER. FIRING BOILER.

FUEL ON HAND 5985 GAL. USED 1539 GAL. USED BOILER 11 HRS.

WEATHER; TEMP 30 DEG. HUMIDITY 80 %, DEW PT 25 DEG. WIND NNW @ 7, VIS 10 MI.

**10-27-2010**      **Reported By**      GLEN PRUET**DailyCosts: Drilling**      \$52,128      **Completion**      \$6,385      **Daily Total**      \$58,513**Cum Costs: Drilling**      \$546,513      **Completion**      \$6,385      **Well Total**      \$552,898**MD**      9,507      **TVD**      9,507      **Progress**      1,012      **Days**      4      **MW**      11.2      **Visc**      38.0**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING @ 9507'**

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRLG. F/8495' TO 8821' (326') 46.5 FPH. 45 RPM + 65 RPM ON MOTOR. WOB 18/22K. PUMP 395 GPM @ 113 SPM #1 PUMP, SPP 2600 PSI, DIFF 390 DRLG.: MIDDLE PRICE RIVER F/8322'. FUNC. COM DRILLING. MUD WEIGHT 11.1, VIS 39.
13:00	13:30	0.5	SERVICE RIG.
13:30	06:00	16.5	DRLG. F/8821' TO 9507' (686') 41.5 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG.: KMV PRICE RIVER MIDDLE F/8322', LOWER PRICE RIVER F/9116'. . FUNC. COM F/DRLG. MUD WEIGHT 11.3, VIS 37.
FULL CREWS. NO ACCIDENTS REPORTED.			
SAFETY MEETINGS TOPICS; RIG INSPECTION. ROTARY TABLE.			
FUEL ON HAND 4332 GAL. USED 1653 GAL. USED BOILER 12 HRS. TOTAL HRS. USED 27.			
RECEIVED 246 JTS (9878.37') 4.5" N-80 CSG W/ 2 - 4.5" P-110 MKR JTS. (44.40") TRANSFERRED IN 4 JTS CSG + 2 MKR JTS= 10,102.96' O/A THREADS OFF (254 TOTAL TUBULARS).			
WEATHER; TEMP 25 DEG. HUMIDITY 80 %, DEW PT 25 DEG. WIND NW @ 3/7, VIS 10 MI.			

10-28-2010		Reported By		GLEN PRUET							
Daily Costs: Drilling		\$38,471		Completion		\$0		Daily Total		\$38,471	
Cum Costs: Drilling		\$584,985		Completion		\$6,385		Well Total		\$591,370	
MD	9,870	TVD	9,870	Progress	363	Days	5	MW	11.3	Visc	38.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

**Activity at Report Time: LD DP**

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRLG. F/9507' TO 9788' (281') 40.1 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG.: LOWER PRICE RIVER F/9116', SEGO F/ 9654'. FUNC. COM F/DRLG.
13:00	13:30	0.5	SERVICE RIG.
13:30	16:30	3.0	DRLG. F/9788' TO 9870' (82') 27.3 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG. SEGO F/ 9654'. REACHED TD 9870' @ 16:30 HRS, ON 10/27/2010.
16:30	17:30	1.0	CIRCULATE 80 BBLS HI VIS SWEEP OUT. 25% INCREASE OF MIXED CUTTINGS ON BOTTOMS UP.
17:30	18:00	0.5	CHECK FOR FLOW, SURVEY AND SLUG PIPE. FUNC COM F/TRIP.
17:30	02:30	9.0	WIPER TRIP. TIGHT HOLE ON TRIP OUT @ 7277', 5886', 5398', 5335', 5243'. PULL TO SURFACE LD REAMERS, RECOVER SURVEY TOOL & TIH. WASH TIGHT HOLE @ 8235' WASH & REAM BRIDGE @ 9461' ON TRIP TO BOTTOM. NO FILL.
02:30	04:00	1.5	PUMP 80 BBLS HIGH VIS SWEEP & CBU. PJSM W/FRANK'S LD CREW. RU/LD MACHINE.
04:00	06:00	2.0	LDDP.
MUD WEIGHT 11.4, VIS 37.			
FULL CREWS. NO ACCIDENTS REPORTED.			
SAFETY MEETINGS TOPICS; FUNC. COM F/TRIPS. R/U LDDP W/ FRANKS CSG. SERVICE.			
FUEL ON HAND 2964 GAL. USED 1368 GAL. USED BOILER 16 HRS. TOTAL HRS. USED 43.			
WEATHER; TEMP 27 DEG. HUMIDITY 68 %, DEW PT 18 DEG. WIND W @ 5, VIS 10 MI.			
BLM & UDOGM NOTIFIED 16:30 HRS 10/27/10 RE; RUNNING PRODUCTION CASING.			

<b>10-29-2010</b>	<b>Reported By</b>	GLEN PRUET							
<b>Daily Costs: Drilling</b>	\$16,997	<b>Completion</b>	\$167,605	<b>Daily Total</b>	\$184,602				
<b>Cum Costs: Drilling</b>	\$601,982	<b>Completion</b>	\$173,990	<b>Well Total</b>	\$775,972				



MD 9,870 TVD 9,870 Progress 0 Days 6 MW 11.4 Visc 38.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	LDDP/ DC'S. BREAK KELLY, PULL ROT. RUBBER, AND PULL WEAR BUSHING.
09:00	16:30	7.5	HELD SAFETY MEETING W/RIG CREWS & FRANKS CASING CREW. R/U CASING TOOLS & RAN TOTAL OF 244 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9868. HOLE DISPLACEMENT GOOD, HAD NO MUD LOSS ON TRIP IN HOLE WITH CASING. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9867', 1 SHOE JT., FLOAT COLLAR W/LATCH DOWN ASSEMBLY @ 9824', 143 JTS PLUS 2 MKR. JTS (21.42') BOTTOM @ 7472' & TOP (10.28') @ 4606', CASING MANDREL HANGER W/ 1 PUP JT (6.10'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH IN MIDDLE OF JTS 2 & 3. RAN 44 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT. TO 4566'. TAG BOTTOM W/ JOINT # 245. LAID IT DOWN. LAND CASING W/ 94,600 ON HANGER.
16:30	18:00	1.5	CIRCULATE W/CASING ON BOTTOM. PJSM. R/D FRANKS CSG TOOLS AND R/U HALLIBURTON.
18:00	20:00	2.0	PJSM: TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBLs MUD FLUSH, 10 BBLs FRESH WATER, MIX & PUMP 490 SKS. (161 BBLs) Highbond LEAD CEMENT MIXED @ 12.0 PPG, 1.84 Y, 9.78 GAL/SK WATER. PLUS 1380 SKS (361 BBLs.), EXTENDACEM TAIL. CEMENT MIXED @ 13.5 PPG, 1.47 Y, 6.98 GAL/SK WATER. WASH PUMP & LINES, LOAD & DROP TOP PLUG ONLY. DISPLACED WITH 152 BBLs FRESH WATER @ 7.5 BPM AVERAGE, BUMP PLUG W/1500 PSI OVER FCP OF 2655 PSI @ 4 BPM. HELD PRESSURE (4105 PSI) 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLs. RE PRESSURED UP TO 2800 PSI FOR 1 HOURS. PLUG DOWN @ 19:49 HRS 10/28/2010. FULL RETURNS MUD ONLY DURING CEMENTING.
20:00	21:00	1.0	WAIT ON CEMENT.
21:00	22:00	1.0	FMC SERVICEMAN SET CASING MANDREL PACKOFF. TEST HANGER PACK OFF TO 5000 PSI. REDI SUPER SUCKERS CLEAN MUD TANKS AND TRANSFER MUD TO STORAGE. MOVING 3.2 MILES TO HOSS 88-33.
22:00	06:00	8.0	RDRT.
			FULL CREWS. ONE LACERATION TO UPPER LIP ACCIDENT REPORTED. NO LOSS TIME.
			SAFETY MEETINGS TOPICS; FUNC. COM F/RUN & CMT. CASING. RDRT & MOVE RIG.
			FUEL ON HAND 2166 GAL. USED 798 GAL. USED BOILER 9 HRS. TOTAL HRS. USED 52
			TRANSFER 6 JT'S (241.26') 4.5" 11.6#, N-80 LTC CSG., 2 JTS. 4.5" 11.6#, P-110 MARKER JTS. (30.88') AND 2166 GALLONS FUEL TO THE HOSS 88-33 @ \$3.029/GAL. (\$6560).
			WEATHER; TEMP 28 DEG. HUMIDITY 74 %, DEW PT 21 DEG. WIND W @ 5, VIS 10 MI.
			BLM (E-MAIL) & UDOGM (TELEPHONE) NOTIFIED OF BOP TEST 10/29/10 ON HOSS 88-33.
06:00			RIG RELEASED @ 22:00 HRS, ON 10/28/2010.
			CASING POINT COST \$601,158

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 12/3/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> Waiting on completion operations. Please see the attached well chronology report for the referenced well showing activity up to 10/29/2010.		
<b>Accepted by the          Utah Division of          Oil, Gas and Mining          FOR RECORD ONLY</b>		
<b>NAME (PLEASE PRINT)</b> Michelle Robles		<b>PHONE NUMBER</b> 307 276-4842
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Assistant
<b>DATE</b> 12/3/2010		

# WELL CHRONOLOGY REPORT

Report Generated On: 12-03-2010

<b>Well Name</b>	HOSS 086-31	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	PONDEROSA	<b>API #</b>	43-047-39946	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	10-23-2010	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,870/ 9,870	<b>Property #</b>	062520
<b>Water Depth</b>	0	<b>Last CSG</b>	4.5	<b>Shoe TVD / MD</b>	9,866/ 9,866
<b>KB / GL Elev</b>	4,872/ 4,856				
<b>Location</b>	Section 31, T8S, R23E, SWSW (LOT 4), 1273 FSL & 1237 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	77.015

AFE No		306093		AFE Total		1,635,700		DHC / CWC		652,700/ 983,000													
Rig Contr		TRUE		Rig Name		TRUE #34		Start Date		02-20-2008		Release Date		10-28-2010									
02-20-2008		Reported By		CYNTHIA HANSELMAN																			
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0													
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0													
MD		0		TVD		0		Progress		0		Days		0		MW		0.0		Visc		0.0	
Formation :				PBTD : 0.0				Perf :				PKR Depth : 0.0											

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1273' FSL & 1237' FWL (SW/SW)
			SECTION 31, T8S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.075494, LONG 109.374500 (NAD 83)
			LAT 40.075531, LONG 109.373819 (NAD 27)
			TRUE #34
			OBJECTIVE: 9870' TD, MESAVERDE
			DW/GAS
			PONDEROSA PROSPECT
			DD&A: CHAPITA DEEP WELLS
			NATURAL BUTTES FIELD
			LEASE: UTU-61401
			ELEVATION: 4859.8' NAT GL, 4856.1' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4856'), 4875' KB (19')
			EOG WI 100%, NRI 67.014938%

09-29-2010      Reported By      TERRY CSERE

**RECEIVED** December 03, 2010

<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION BUILD START TODAY.

09-30-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

10-01-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 70% COMPETE.

10-03-2010 Reported By SEARLE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$30,300	<b>Daily Total</b>	\$30,300
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	9,870	<b>TVD</b>	9,870	<b>Progress</b>	0
<b>Days</b>	7	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 9824.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00			MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 9754' TO 950' EST CEMENT TOP @ 1240'. RD SCHLUMBERGER.

10-04-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STARTING CLOSED LOOP SYSTEM.

10-05-2010 Reported By TERRY CSERE/GERALD ASHCRAFT

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** SPUD NOTIFICATION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	CLOSED LOOP 10% COMPLETE. CRAIG'S ROUSTABOUT SPUD A 20" HOLE ON 10/04/10 @ 2:00 PM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 10/03/10 @ 04:40 PM.

---

**10-06-2010**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** BUILD LOCATION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION 50% COMPLETE.

---

**10-07-2010**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** BUILD LOCATION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION 70% COMPLETE.

---

**10-08-2010**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** WO SURFACE RIG

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION COMPLETE.

---

**10-19-2010**      **Reported By**      KERRY SALES

<b>DailyCosts: Drilling</b>	\$223,770	<b>Completion</b>	\$0	<b>Daily Total</b>	\$223,770
<b>Cum Costs: Drilling</b>	\$298,770	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$329,070
<b>MD</b>	2,734	<b>TVD</b>	2,734	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** WORT

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
--------------	------------	------------	-----------------------------

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 10/09/2010. DRILLED 12-1/4" HOLE TO 2715' GL (2734' KB). ENCOUNTERED NO WATER. HAMMER DRILLED WITH AIR AND FOAM TO 1000'. ROTARY AIR MIST DRILL TO 1480' AND FLUID DRILLED TO TD (PUMPED 1100 BBL OF MUD AWAY). CIRCULATE HOLE CLEAN.

RAN 63 JTS (2703.13') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2722.13' KB. RDMO CRAIGS RIG #2. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 200 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. LEAD: 250 SACK'S (183 BBLS) OF PREMIUM CEMENT W/ 0.2% VARSET, 2% CALSEAL, & 2% EX-1. 10.5 PPG, YIELD 4.1 CF/SX. TAIL: MIXED AND PUMPED 300 SACK'S (64 BBLS) OF PREMIUM CEMENT W/ 2% CACL MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/205 BBLS FRESH WATER. BUMPED PLUG W/800# @ 17:38, 10/17/2010 FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE. FCP 250 PSI. LOST RETURNS 45 BBL IN TO DISPLACEMENT. WOC 1 HOUR.

TOP JOB # 1: DOWN 200' OF 1' PIPE, MIXED & PUMPED 100 SX (20.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS DURING ANY PART OF THE OPERATION. WAIT ON CEMENT 2 HOURS.

TOP JOB # 2: MIXED & PUMPED 100 SX (20.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HOURS.

TOP JOB # 3: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS DURING ANY PART OF THE OPERATION.

TOP JOB # 4: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 5: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 4 HRS.

TOP JOB # 6: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 7: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. 2 BBL BACK TO SURFACE. RDMO HALLIBURTON CEMENTERS. TOTAL TOP OUT 450 SACK'S.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIG'S RIG 2 TOOK 3 SURVEYS WHILE DRILLING HOLE @ 1510' = .5 DEGREES, 1990' = 1 DEGREE AND 2700' = 2.75 DEGREES.

KENT DEVENPORT NOTIFIED THE BLM VIA E-MAIL OF THE SURFACE CASING & CEMENT JOB ON 10/13/2010 @ 02:00 PM. AND DALL COOK NOTIFIED CAROL DANIELS W/ UDOGM BY VOICE MESSAGE. NOTIFICATIONS SENT ON 10/11/2010 @ 10:30 AM.

10-23-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$111,436		Completion		\$0		Daily Total		\$111,436	
Cum Costs: Drilling		\$410,206		Completion		\$30,300		Well Total		\$440,506	
MD	2,734	TVD	2,734	Progress	0	Days	0	MW	9.6	Visc	34.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING SHOE TRACK											



Start	End	Hrs	Activity Description
06:00	11:00	5.0	SAFETY MEETING WITH JONES TRUCKING CREW & RIG CREWS, RW JONES MOVED RIG 5.6 MI. FROM HOSS 84-35 TO HOSS 86-31 @ 06:00. RIG ON LOCATION @ 11:00 HRS.,
11:00	19:00	8.0	RU/RT. RAISE DERRICK @ 15:00 HRS. TRUCKS RELEASED @ 16:00 HRS. FMC SERVICEMAN LOCKED DTO DRLG CONNECTOR AND TEST TO 5000 PSI. OK. PRE SPUD RIG INSPECTION COMPLETE.  RIG ACCEPTED ON DAYWORK @ 19:00 HRS. 10/22/2010.
19:00	22:30	3.5	HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES. ALL TEST GOOD.
22:30	23:00	0.5	TEST 9 5/8" CASING 1500 PSI FOR 30 MINUTES. ALL TEST GOOD. BLM & UDOGM DID NOT WITNESS TEST.
23:00	23:30	0.5	INSTALL WEAR BUSHING.
23:30	03:30	4.0	PJSM FRANKS LD MACHINE CREW. RU EQUIPMENT. PICK UP 7 7/8" SMITH PDC BIT, BHA & DP ON TRIP IN HOLE. TAG CMT @ 2659'. R/D FRANKS P/U MACHINE.
03:30	04:00	0.5	INSTALL ROT. HEAD RUBBER, DRIVE BUSHING. TORQUE KELLY.
04:00	06:00	2.0	DRILL CEMENT AND FLTS F/2659' TO 2722' AND 23' OF NEW HOLE TO 2757'. CBU FOR FIT. (FUNC COM F/DRILLING). PUMP 456 GPM @ 120 SPM, 1600 PSI. DIFF 120, ROT 47, MOTOR RPM 72. MUD WEIGHT 9.6 PPG, VISCOSITY 34 SEC./QT.  FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED. SAFETY MEETINGS; MOVING & RURT. TEST BOPE & P/U BHA. TRANSFER 4JT'S (162.') 4.5" 11.6#, N-80 LTC PROD. CASING, 2 MARKER JTS. 4.5" 11.6#, P-110 MARKER (21.18') AND 2052 GALLONS FUEL TO THE HOSS 86-31. FUEL ON HAND .5856 GALLONS, USED 396 GALLONS. RECEIVED 4200 GALLONS BLM & UDOGM DID NOT HAVE A REPRESENTATIVE TO WITNESS BOP AND SURFACE CASING TEST. WEATHER; SHOWERS, TEMP 43 DEG. DEW PT. 39 DEG. WINDS CALM. VISIBILITY 10 MI.

10-24-2010      Reported By      GLEN PRUET

<b>Daily Costs: Drilling</b>	\$37,126	<b>Completion</b>	\$0	<b>Daily Total</b>	\$37,126
<b>Cum Costs: Drilling</b>	\$447,332	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$477,632

<b>MD</b>	5,476	<b>TVD</b>	5,476	<b>Progress</b>	2,742	<b>Days</b>	1	<b>MW</b>	9.5	<b>Visc</b>	34.0
-----------	-------	------------	-------	-----------------	-------	-------------	---	-----------	-----	-------------	------

<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
--------------------	-------------------	---------------	------------------------

**Activity at Report Time:** DRILLING @ 5476'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL FORMATION F/2734' - 2757' (23' @ 43 F/H) 47 ROTARY, 72 MOTOR, PUMP #2 120 SPM, 456 GPM, 1600 PSI, 120 PSI DIFF. MUD WEIGHT 9.6 PPG, VISCOSITY 34 SEC./QT. CBU AND PERFORM  FIT @ 2557' (9.6 PPG MUD + 158 PSI SIP= 10.7 PPG EMW.
06:30	08:30	2.0	DRILL 2757' TO 3072, (315') 157.5 FPH. 45/55 RPM + 72 RPM ON MOTOR. WOB 12-18. PUMP 456 GPM @ 120 SPM. SPP 1850 PSI, DIFF 240. DRILLING MAHOGANY OIL SHALE BED F/2734'. FUNC COM F/DRILLING. BOP DRILL @ 9072', 90 SEC. TO SECURE WELL.
08:30	09:00	0.5	SURVEY @ 2992', 0.41 DEG.
09:00	10:30	1.5	DRLG. F/3072' TO 3219' (147') 98 FPH. 50/60 RPM + 73 RPM ON MOTOR. WOB 18/20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2000 PSI, DIFF 140/250 DRLG.: MAHOGANY OIL SHALE F/2734'. MUD WT 9.6 PPG.
10:30	11:00	0.5	SERVICE RIG
11:00	16:30	5.5	DRILLING F/3219' TO 4070' (851') 154.7'/HR. 55 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2050 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED F/2734'. MUD WT. 9.4 VIS 33.
16:30	17:00	0.5	SURVEY @ 3990', 0.92 DEG.
17:00	00:30	7.5	DRLG. F/4070' TO 5069' (999') 133.2 FPH. 60 RPM + 73 RPM ON MOTOR. WOB 18/20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2350 PSI, DIFF 220/360 DRLG.: MAHOGANG F/2734', WASATCH F/5059'. BOP DRILL @ 9072', 78 SEC. TO SECURE.

00:30 01:00 0.5 SURVEY @ 4989', 1.30 DEG.  
 01:00 06:00 5.0 DRLG. F/5069' TO 5476' (407') 81.4 FPH. 55 RPM + 71 RPM ON MOTOR. WOB 18/20K. PUMP 448 GPM @ 118 SPM  
 #2 PUMP, SPP 2140/2415 PSI, DIFF 240/470 DRLG.: WASATCH F/5059'.  
 MUD WEIGHT 9.8, VIS 35. BOP DRILL @ 3070', & 4537'.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; RIG SERVICE POTENTIAL HAZARDS. P/U PIPE IN V DOOR.

FUEL ON HAND 8892 GAL. USED 964 GAL. RECEIVED 4000 GALLONS RIG DIESEL.

WEATHER; SHOWERS, TEMP 43 DEG. VISIBILITY 10 MI.

06:00 SPUD 7 7/8" HOLE @ 06:30 HRS, 10/23/2010.

10-25-2010		Reported By		GLEN PRUET							
Daily Costs: Drilling		\$31,826		Completion		\$0		Daily Total		\$31,826	
Cum Costs: Drilling		\$479,158		Completion		\$30,300		Well Total		\$509,458	
MD	7,118	TVD	7,118	Progress	1,642	Days	2	MW	9.8	Visc	35.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: DRILLING @ 7118'											
Start	End	Hrs	Activity Description								
06:00	13:30	7.5	DRLG. F/5476' TO 6133' (657') 87.6 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/18K. PUMP 425 GPM @ 112 SPM #2 PUMP, SPP 2350 PSI, DIFF 240 DRLG.: WASATCH F/5059', CHAPITA WELLS F/5665'. FUNC. COM DRLG.								
13:30	14:00	0.5	SERVICE RIG.								
14:00	06:00	16.0	DRLG. F/6133' TO 7118' (985') 61.56 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/20K. PUMP 425 GPM @ 121 SPM #1 PUMP, SPP 2350/2550 PSI, DIFF 225/360 DRLG.: BUCK CANYON F/6338', NORTH HORN F/6973'. FUNC. COM DRILLING.								
MUD WEIGHT 10.1, VIS 37.											
FULL CREWS. NO ACCIDENTS REPORTED.											
SAFETY MEETINGS TOPICS; HANDLING CHEMICAL. INSTALLING WIND WALLS.											
FUEL ON HAND 7524 GAL. USED 1368 GAL.											
WEATHER: HEAVY RAIN/WIND. TEMP 43 DEG. HUMIDITY 100 %, DEW PT 39 DEG. VIS 6 MI.											

10-26-2010		Reported By		GLEN PRUET							
Daily Costs: Drilling		\$23,207		Completion		\$0		Daily Total		\$23,207	
Cum Costs: Drilling		\$502,365		Completion		\$30,300		Well Total		\$532,665	
MD	8,495	TVD	8,495	Progress	1,377	Days	3	MW	10.1	Visc	37.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: DRILLING @ 8495'											
Start	End	Hrs	Activity Description								
06:00	16:00	10.0	DRLG. F/7118' TO 7760' (642'') 64.2 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/20K. PUMP 425 GPM @ 120 SPM #1 PUMP, SPP 2350/2550 PSI, DIFF 225/360 DRLG.:NORTH HORN F/6973'. FUNC. COM DRILLING.								
16:00	16:30	0.5	SERVICE RIG.								
16:30	06:00	13.5	DRLG. F/7760' TO 8495' (735'') 54.4 FPH. 50/55 RPM + 65/68 RPM ON MOTOR. WOB 18/20K. PUMP 412/425 GPM @ 116/121 SPM #1 PUMP, SPP 2550/2650 PSI, DIFF 225/360 DRLG.: KMV PRICE RIVER F/7512', MIDDLE PRICE F/8322' . . FUNC. COM DRILLING.								
MUD WEIGHT 10.9, VIS 39.											

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; WORKING IN SEVERE WEATHER. FIRING BOILER.

FUEL ON HAND 5985 GAL. USED 1539 GAL. USED BOILER 11 HRS.

WEATHER; TEMP 30 DEG. HUMIDITY 80 %, DEW PT 25 DEG. WIND NNW @ 7, VIS 10 MI.

10-27-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$52,128		Completion		\$6,385		Daily Total		\$58,513	
Cum Costs: Drilling		\$554,493		Completion		\$36,685		Well Total		\$591,178	
MD	9,507	TVD	9,507	Progress	1,012	Days	4	MW	11.2	Visc	38.0
Formation :			PBTD : 0.0			Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING @ 9507'											

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRLG. F/8495' TO 8821' (326') 46.5 FPH. 45 RPM + 65 RPM ON MOTOR. WOB 18/22K. PUMP 395 GPM @ 113 SPM #1 PUMP, SPP 2600 PSI, DIFF 390 DRLG.: MIDDLE PRICE RIVER F/8322'. FUNC. COM DRILLING. MUD WEIGHT 11.1, VIS 39.
13:00	13:30	0.5	SERVICE RIG.
13:30	06:00	16.5	DRLG. F8821' TO 9507' (686') 41.5 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG.: KMV PRICE RIVER MIDDLE F/8322', LOWER PRICE RIVER F/9116'. . FUNC. COM F/DRLG. MUD WEIGHT 11.3, VIS 37.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; RIG INSPECTION. ROTARY TABLE.

FUEL ON HAND 4332 GAL. USED 1653 GAL. USED BOILER 12 HRS. TOTAL HRS. USED 27.

RECEIVED 246 JTS (9878.37') 4.5" N-80 CSG W/ 2 - 4.5" P-110 MKR JTS. (44.40") TRANSFERRED IN 4 JTS CSG + 2 MKR JTS= 10,102.96' O/A THREADS OFF (254 TOTAL TUBULARS).

WEATHER; TEMP 25 DEG. HUMIDITY 80 %, DEW PT 25 DEG. WIND NW @ 3/7, VIS 10 MI.

10-28-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$38,471		Completion		\$0		Daily Total		\$38,471	
Cum Costs: Drilling		\$592,965		Completion		\$36,685		Well Total		\$629,650	
MD	9,870	TVD	9,870	Progress	363	Days	5	MW	11.3	Visc	38.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: LD DP											

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRLG. F/9507' TO 9788' (281') 40.1 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG.: LOWER PRICE RIVER F/9116', SEGO F/ 9654'. FUNC. COM F/DRLG.
13:00	13:30	0.5	SERVICE RIG.
13:30	16:30	3.0	DRLG. F/9788' TO 9870' (82') 27.3 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG. SEGO F/ 9654'. REACHED TD 9870' @ 16:30 HRS, ON 10/27/2010.
16:30	17:30	1.0	CIRCULATE 80 BBLs HI VIS SWEEP OUT. 25% INCREASE OF MIXED CUTTINGS ON BOTTOMS UP.
17:30	18:00	0.5	CHECK FOR FLOW, SURVEY AND SLUG PIPE. FUNC COM F/TRIP.
17:30	02:30	9.0	WIPER TRIP. TIGHT HOLE ON TRIP OUT @ 7277', 5886', 5398', 5335', 5243'. PULL TO SURFACE LD REAMERS, RECOVER SURVEY TOOL & TIH. WASH TIGHT HOLE @ 8235' WASH & REAM BRIDGE @ 9461' ON TRIP TO BOTTOM. NO FILL.
02:30	04:00	1.5	PUMP 80 BBLs HIGH VIS SWEEP & CBU. PJSM W/FRANK'S LD CREW. RU/LD MACHINE.
04:00	06:00	2.0	LDDP.
			MUD WEIGHT 11.4, VIS 37.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; FUNC. COM F/TRIPS. R/U LDDP W/ FRANKS CSG. SERVICE.

FUEL ON HAND 2964 GAL. USED 1368 GAL. USED BOILER 16 HRS. TOTAL HRS. USED 43.

WEATHER; TEMP 27 DEG. HUMIDITY 68 %, DEW PT 18 DEG. WIND W @ 5, VIS 10 MI.

BLM & UDOGM NOTIFIED 16:30 HRS 10/27/10 RE; RUNNING PRODUCTION CASING.

10-29-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$16,997		Completion		\$167,605		Daily Total		\$184,602	
Cum Costs: Drilling		\$609,962		Completion		\$204,290		Well Total		\$814,252	
MD	9,870	TVD	9,870	Progress	0	Days	6	MW	11.4	Visc	38.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: RDRT/NO COMPLETION											
Start	End	Hrs	Activity Description								
06:00	09:00	3.0	LDDP/ DC'S. BREAK KELLY, PULL ROT. RUBBER, AND PULL WEAR BUSHING.								
09:00	16:30	7.5	HELD SAFETY MEETING W/RIG CREWS & FRANKS CASING CREW. R/U CASING TOOLS & RAN TOTAL OF 244 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9868. HOLE DISPLACEMENT GOOD, HAD NO MUD LOSS ON TRIP IN HOLE WITH CASING. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9867', 1 SHOE JT., FLOAT COLLAR W/LATCH DOWN ASSEMBLY @ 9824', 143 JTS PLUS 2 MKR. JTS (21.42') BOTTOM @ 7472' & TOP (10.28') @ 4606', CASING MANDREL HANGER W/ 1 PUP JT (6.10'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH IN MIDDLE OF JTS 2 & 3. RAN 44 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT. TO 4566'. TAG BOTTOM W/ JOINT # 245. LAID IT DOWN. LAND CASING W/ 94,600 ON HANGER.								
16:30	18:00	1.5	CIRCULATE W/CASING ON BOTTOM. PJSM. R/D FRANKS CSG TOOLS AND R/U HALLIBURTON.								
18:00	20:00	2.0	PJSM: TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBLS MUD FLUSH, 10 BBLS FRESH WATER, MIX & PUMP 490 SKS.(161 BBLS) HIGHBOND LEAD CEMENT MIXED @ 12.0 PPG, 1.84 Y, 9.78 GAL/SK WATER. PLUS 1380 SKS (361 BBLS.), EXTENDACEM TAIL CEMENT MIXED @ 13.5 PPG, 1.47 Y, 6.98 GAL/SK WATER. WASH PUMP & LINES, LOAD & DROP TOP PLUG ONLY. DISPLACED WITH 152 BBLS FRESH WATER @ 7.5 BPM AVERAGE, BUMP PLUG W/1500 PSI OVER FCP OF 2655 PSI @ 4 BPM. HELD PRESSURE (4105 PSI) 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLS. RE PRESSURED UP TO 2800 PSI FOR 1 HOURS. PLUG DOWN @ 19:49 HRS 10/28 /2010. FULL RETURNS MUD ONLY DURING CEMENTING.								
20:00	21:00	1.0	WAIT ON CEMENT.								
21:00	22:00	1.0	FMC SERVICEMAN SET CASING MANDREL PACKOFF. TEST HANGER PACK OFF TO 5000 PSI. REDI SUPER SUCKERS CLEAN MUD TANKS AND TRANSFER MUD TO STORAGE. MOVING 3.2 MILES TO HOSS 88-33.								
22:00	06:00	8.0	RDRT.								
FULL CREWS. ONE LACERATION TO UPPER LIP ACCIDENT REPORTED. NO LOSS TIME.											
SAFETY MEETINGS TOPICS; FUNC. COM F/RUN & CMT. CASING. RDRT & MOVE RIG.											
FUEL ON HAND 2166 GAL. USED 798 GAL. USED BOILER 9 HRS. TOTAL HRS. USED 52											
TRANSFER 6 JT'S (241.26') 4.5" 11.6#, N-80 LTC CSG., 2 JTS. 4.5" 11.6#, P-110 MARKER JTS. (30.88') AND 2166 GALLONS FUEL TO THE HOSS 88-33 @ \$3.029/GAL. (\$6560).											
WEATHER; TEMP 28 DEG. HUMIDITY 74 %, DEW PT 21 DEG. WIND W @ 5, VIS 10 MI.											
BLM (E-MAIL) & UDOGM (TELEPHONE) NOTIFIED OF BOP TEST 10/29/10 ON HOSS 88-33.											
06:00	RIG RELEASED @ 22:00 HRS, ON 10/28/2010.										
CASING POINT COST \$601,158											

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU61401
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> BADLANDS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> HOSS 86-31
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1273 FSL 1237 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 31 Township: 08.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047399460000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> <b>ACIDIZE</b>	
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> <b>ALTER CASING</b>	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> <b>CASING REPAIR</b>	
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 12/15/2010	<input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	
	<input type="checkbox"/> <b>CHANGE TUBING</b>	
	<input type="checkbox"/> <b>CHANGE WELL STATUS</b>	
	<input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	
	<input type="checkbox"/> <b>DEEPEN</b>	
	<input type="checkbox"/> <b>FRACTURE TREAT</b>	
	<input type="checkbox"/> <b>OPERATOR CHANGE</b>	
	<input type="checkbox"/> <b>PLUG AND ABANDON</b>	
	<input checked="" type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	
	<input type="checkbox"/> <b>RECLAMATION OF WELL SITE</b>	
	<input type="checkbox"/> <b>REPERFORATE CURRENT FORMATION</b>	
	<input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>	
	<input type="checkbox"/> <b>TUBING REPAIR</b>	
	<input type="checkbox"/> <b>VENT OR FLARE</b>	
	<input type="checkbox"/> <b>WATER SHUTOFF</b>	
	<input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>	
	<input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>	
	<input type="checkbox"/> <b>OTHER:</b> <input style="width: 100px;" type="text"/>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> The referenced well was turned to sales on 12/15/2010. Please see the attached operations summary report for drilling and completion operations performed on the subject well.		
<b>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY</b> 12/17/2010		
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 12/17/2010	

# WELL CHRONOLOGY REPORT

Report Generated On: 12-17-2010

<b>Well Name</b>	HOSS 086-31	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	PONDEROSA	<b>API #</b>	43-047-39946	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	10-23-2010	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,870/ 9,870	<b>Property #</b>	062520
<b>Water Depth</b>	0	<b>Last CSG</b>	4.5	<b>Shoe TVD / MD</b>	9,866/ 9,866
<b>KB / GL Elev</b>	4,872/ 4,856				
<b>Location</b>	Section 31, T8S, R23E, SWSW (LOT 4), 1273 FSL & 1237 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	77.015

AFE No		306093		AFE Total		1,635,700		DHC / CWC		652,700/ 983,000													
Rig Contr		TRUE		Rig Name		TRUE #34		Start Date		02-20-2008		Release Date		10-28-2010									
02-20-2008		Reported By		CYNTHIA HANSELMAN																			
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0													
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0													
MD		0		TVD		0		Progress		0		Days		0		MW		0.0		Visc		0.0	
Formation :				PBTD : 0.0				Perf :				PKR Depth : 0.0											

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1273' FSL & 1237' FWL (SW/SW)
			SECTION 31, T8S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.075494, LONG 109.374500 (NAD 83)
			LAT 40.075531, LONG 109.373819 (NAD 27)
			TRUE #34
			OBJECTIVE: 9870' TD, MESAVERDE
			DW/GAS
			PONDEROSA PROSPECT
			DD&A: CHAPITA DEEP WELLS
			NATURAL BUTTES FIELD
			LEASE: UTU-61401
			ELEVATION: 4859.8' NAT GL, 4856.1' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4856'), 4875' KB (19')
			EOG WI 100%, NRI 67.014938%

09-29-2010      Reported By      TERRY CSERE

**RECEIVED** December 17, 2010

<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION BUILD START TODAY.

09-30-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

10-01-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 70% COMPETE.

10-03-2010 Reported By SEARLE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$30,300	<b>Daily Total</b>	\$30,300
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	9,870	<b>TVD</b>	9,870	<b>Progress</b>	0
<b>Days</b>	7	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 9824.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00			MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 9754' TO 950' EST CEMENT TOP @ 1240'. RD SCHLUMBERGER.

10-04-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STARTING CLOSED LOOP SYSTEM.

10-05-2010 Reported By TERRY CSERE/GERALD ASHCRAFT



<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** SPUD NOTIFICATION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	CLOSED LOOP 10% COMPLETE. CRAIG'S ROUSTABOUT SPUD A 20" HOLE ON 10/04/10 @ 2:00 PM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 10/03/10 @ 04:40 PM.

---

**10-06-2010**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** BUILD LOCATION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION 50% COMPLETE.

---

**10-07-2010**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** BUILD LOCATION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION 70% COMPLETE.

---

**10-08-2010**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$105,300
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** WO SURFACE RIG

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION COMPLETE.

---

**10-19-2010**      **Reported By**      KERRY SALES

<b>DailyCosts: Drilling</b>	\$223,770	<b>Completion</b>	\$0	<b>Daily Total</b>	\$223,770
<b>Cum Costs: Drilling</b>	\$298,770	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$329,070
<b>MD</b>	2,734	<b>TVD</b>	2,734	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** WORT

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
--------------	------------	------------	-----------------------------

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 10/09/2010. DRILLED 12-1/4" HOLE TO 2715' GL (2734' KB). ENCOUNTERED NO WATER. HAMMER DRILLED WITH AIR AND FOAM TO 1000'. ROTARY AIR MIST DRILL TO 1480' AND FLUID DRILLED TO TD (PUMPED 1100 BBL OF MUD AWAY). CIRCULATE HOLE CLEAN.

RAN 63 JTS (2703.13') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2722.13' KB. RDMO CRAIGS RIG #2. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 200 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. LEAD: 250 SACK'S (183 BBLS) OF PREMIUM CEMENT W/ 0.2% VARSET, 2% CALSEAL, & 2% EX-1. 10.5 PPG, YIELD 4.1 CF/SX. TAIL: MIXED AND PUMPED 300 SACK'S (64 BBLS) OF PREMIUM CEMENT W/ 2% CACL MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/205 BBLS FRESH WATER. BUMPED PLUG W/800# @ 17:38, 10/17/2010 FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE. FCP 250 PSI. LOST RETURNS 45 BBL IN TO DISPLACEMENT. WOC 1 HOUR.

TOP JOB # 1: DOWN 200' OF 1' PIPE, MIXED & PUMPED 100 SX (20.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS DURING ANY PART OF THE OPERATION. WAIT ON CEMENT 2 HOURS.

TOP JOB # 2: MIXED & PUMPED 100 SX (20.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HOURS.

TOP JOB # 3: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS DURING ANY PART OF THE OPERATION.

TOP JOB # 4: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 5: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 4 HRS.

TOP JOB # 6: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 7: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. 2 BBL BACK TO SURFACE. RDMO HALLIBURTON CEMENTERS. TOTAL TOP OUT 450 SACK'S.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIG'S RIG 2 TOOK 3 SURVEYS WHILE DRILLING HOLE @ 1510' = .5 DEGREES, 1990' = 1 DEGREE AND 2700' = 2.75 DEGREES.

KENT DEVENPORT NOTIFIED THE BLM VIA E-MAIL OF THE SURFACE CASING & CEMENT JOB ON 10/13/2010 @ 02:00 PM. AND DALL COOK NOTIFIED CAROL DANIELS W/ UDOGM BY VOICE MESSAGE. NOTIFICATIONS SENT ON 10/11/2010 @ 10:30 AM.

10-23-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$111,436		Completion		\$0		Daily Total		\$111,436	
Cum Costs: Drilling		\$410,206		Completion		\$30,300		Well Total		\$440,506	
MD	2,734	TVD	2,734	Progress	0	Days	0	MW	9.6	Visc	34.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING SHOE TRACK											

Start	End	Hrs	Activity Description
06:00	11:00	5.0	SAFETY MEETING WITH JONES TRUCKING CREW & RIG CREWS, RW JONES MOVED RIG 5.6 MI. FROM HOSS 84-35 TO HOSS 86-31 @ 06:00. RIG ON LOCATION @ 11:00 HRS.,
11:00	19:00	8.0	RU/RT. RAISE DERRICK @ 15:00 HRS. TRUCKS RELEASED @ 16:00 HRS. FMC SERVICEMAN LOCKED DTO DRLG CONNECTOR AND TEST TO 5000 PSI. OK. PRE SPUD RIG INSPECTION COMPLETE.  RIG ACCEPTED ON DAYWORK @ 19:00 HRS. 10/22/2010.
19:00	22:30	3.5	HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES. ALL TEST GOOD.
22:30	23:00	0.5	TEST 9 5/8" CASING 1500 PSI FOR 30 MINUTES. ALL TEST GOOD. BLM & UDOGM DID NOT WITNESS TEST.
23:00	23:30	0.5	INSTALL WEAR BUSHING.
23:30	03:30	4.0	PJSM FRANKS LD MACHINE CREW. RU EQUIPMENT. PICK UP 7 7/8" SMITH PDC BIT, BHA & DP ON TRIP IN HOLE. TAG CMT @ 2659'. R/D FRANKS P/U MACHINE.
03:30	04:00	0.5	INSTALL ROT. HEAD RUBBER, DRIVE BUSHING. TORQUE KELLY.
04:00	06:00	2.0	DRILL CEMENT AND FLTS F/2659' TO 2722' AND 23' OF NEW HOLE TO 2757'. CBU FOR FIT. (FUNC COM F/DRILLING). PUMP 456 GPM @ 120 SPM, 1600 PSI. DIFF 120, ROT 47, MOTOR RPM 72. MUD WEIGHT 9.6 PPG, VISCOSITY 34 SEC./QT.  FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED. SAFETY MEETINGS; MOVING & RURT. TEST BOPE & P/U BHA. TRANSFER 4JT'S (162.') 4.5" 11.6#, N-80 LTC PROD. CASING, 2 MARKER JTS. 4.5" 11.6#, P-110 MARKER (21.18') AND 2052 GALLONS FUEL TO THE HOSS 86-31. FUEL ON HAND .5856 GALLONS, USED 396 GALLONS. RECEIVED 4200 GALLONS BLM & UDOGM DID NOT HAVE A REPRESENTATIVE TO WITNESS BOP AND SURFACE CASING TEST. WEATHER; SHOWERS, TEMP 43 DEG. DEW PT. 39 DEG. WINDS CALM. VISIBILITY 10 MI.

10-24-2010      Reported By      GLEN PRUET

<b>Daily Costs: Drilling</b>	\$37,126	<b>Completion</b>	\$0	<b>Daily Total</b>	\$37,126
<b>Cum Costs: Drilling</b>	\$447,332	<b>Completion</b>	\$30,300	<b>Well Total</b>	\$477,632

<b>MD</b>	5,476	<b>TVD</b>	5,476	<b>Progress</b>	2,742	<b>Days</b>	1	<b>MW</b>	9.5	<b>Visc</b>	34.0
-----------	-------	------------	-------	-----------------	-------	-------------	---	-----------	-----	-------------	------

<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
--------------------	-------------------	---------------	------------------------

**Activity at Report Time:** DRILLING @ 5476'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL FORMATION F/2734' - 2757' (23' @ 43 F/H) 47 ROTARY, 72 MOTOR, PUMP #2 120 SPM, 456 GPM, 1600 PSI, 120 PSI DIFF. MUD WEIGHT 9.6 PPG, VISCOSITY 34 SEC./QT. CBU AND PERFORM  FIT @ 2557' (9.6 PPG MUD + 158 PSI SIP= 10.7 PPG EMW.
06:30	08:30	2.0	DRILL 2757' TO 3072, (315') 157.5 FPH. 45/55 RPM + 72 RPM ON MOTOR. WOB 12-18. PUMP 456 GPM @ 120 SPM. SPP 1850 PSI, DIFF 240. DRILLING MAHOGANY OIL SHALE BED F/2734'. FUNC COM F/DRILLING. BOP DRILL @ 9072', 90 SEC. TO SECURE WELL.
08:30	09:00	0.5	SURVEY @ 2992', 0.41 DEG.
09:00	10:30	1.5	DRLG. F/3072' TO 3219' (147') 98 FPH. 50/60 RPM + 73 RPM ON MOTOR. WOB 18/20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2000 PSI, DIFF 140/250 DRLG.: MAHOGANY OIL SHALE F/2734'. MUD WT 9.6 PPG.
10:30	11:00	0.5	SERVICE RIG
11:00	16:30	5.5	DRILLING F/3219' TO 4070' (851') 154.7'/HR. 55 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2050 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED F/2734'. MUD WT. 9.4 VIS 33.
16:30	17:00	0.5	SURVEY @ 3990', 0.92 DEG.
17:00	00:30	7.5	DRLG. F/4070' TO 5069' (999') 133.2 FPH. 60 RPM + 73 RPM ON MOTOR. WOB 18/20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2350 PSI, DIFF 220/360 DRLG.: MAHOGANG F/2734', WASATCH F/5059'. BOP DRILL @ 9072', 78 SEC. TO SECURE.

00:30 01:00 0.5 SURVEY @ 4989', 1.30 DEG.  
 01:00 06:00 5.0 DRLG. F/5069' TO 5476' (407') 81.4 FPH. 55 RPM + 71 RPM ON MOTOR. WOB 18/20K. PUMP 448 GPM @ 118 SPM  
 #2 PUMP, SPP 2140/2415 PSI, DIFF 240/470 DRLG.: WASATCH F/5059'.  
 MUD WEIGHT 9.8, VIS 35. BOP DRILL @ 3070', & 4537'.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; RIG SERVICE POTENTIAL HAZARDS. P/U PIPE IN V DOOR.

FUEL ON HAND 8892 GAL. USED 964 GAL. RECEIVED 4000 GALLONS RIG DIESEL.

WEATHER; SHOWERS, TEMP 43 DEG. VISIBILITY 10 MI.

06:00 SPUD 7 7/8" HOLE @ 06:30 HRS, 10/23/2010.

10-25-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$31,826		Completion		\$0		Daily Total		\$31,826	
Cum Costs: Drilling		\$479,158		Completion		\$30,300		Well Total		\$509,458	
MD	7,118	TVD	7,118	Progress	1,642	Days	2	MW	9.8	Visc	35.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: DRILLING @ 7118'											
Start	End	Hrs	Activity Description								
06:00	13:30	7.5	DRLG. F/5476' TO 6133' (657') 87.6 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/18K. PUMP 425 GPM @ 112 SPM #2 PUMP, SPP 2350 PSI, DIFF 240 DRLG.: WASATCH F/5059', CHAPITA WELLS F/5665'. FUNC. COM DRLG.								
13:30	14:00	0.5	SERVICE RIG.								
14:00	06:00	16.0	DRLG. F/6133' TO 7118' (985') 61.56 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/20K. PUMP 425 GPM @ 121 SPM #1 PUMP, SPP 2350/2550 PSI, DIFF 225/360 DRLG.: BUCK CANYON F/6338', NORTH HORN F/6973'. FUNC. COM DRILLING.								
MUD WEIGHT 10.1, VIS 37.											
FULL CREWS. NO ACCIDENTS REPORTED.											
SAFETY MEETINGS TOPICS; HANDLING CHEMICAL. INSTALLING WIND WALLS.											
FUEL ON HAND 7524 GAL. USED 1368 GAL.											
WEATHER: HEAVY RAIN/WIND, TEMP 43 DEG. HUMIDITY 100 %, DEW PT 39 DEG. VIS 6 MI.											

10-26-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$23,207		Completion		\$0		Daily Total		\$23,207	
Cum Costs: Drilling		\$502,365		Completion		\$30,300		Well Total		\$532,665	
MD	8,495	TVD	8,495	Progress	1,377	Days	3	MW	10.1	Visc	37.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: DRILLING @ 8495'											
Start	End	Hrs	Activity Description								
06:00	16:00	10.0	DRLG. F/7118' TO 7760' (642') 64.2 FPH. 50 RPM + 68 RPM ON MOTOR. WOB 18/20K. PUMP 425 GPM @ 120 SPM #1 PUMP, SPP 2350/2550 PSI, DIFF 225/360 DRLG.:NORTH HORN F/6973'. FUNC. COM DRILLING.								
16:00	16:30	0.5	SERVICE RIG.								
16:30	06:00	13.5	DRLG. F/7760' TO 8495' (735') 54.4 FPH. 50/55 RPM + 65/68 RPM ON MOTOR. WOB 18/20K. PUMP 412/425 GPM @ 116/121 SPM #1 PUMP, SPP 2550/2650 PSI, DIFF 225/360 DRLG.: KMV PRICE RIVER F/7512', MIDDLE PRICE F/8322' . . FUNC. COM DRILLING.								
MUD WEIGHT 10.9. VIS 39.											

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; WORKING IN SEVERE WEATHER. FIRING BOILER.

FUEL ON HAND 5985 GAL. USED 1539 GAL. USED BOILER 11 HRS.

WEATHER; TEMP 30 DEG. HUMIDITY 80 %, DEW PT 25 DEG. WIND NNW @ 7, VIS 10 MI.

10-27-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$52,128		Completion		\$6,385		Daily Total		\$58,513	
Cum Costs: Drilling		\$554,493		Completion		\$36,685		Well Total		\$591,178	
MD	9,507	TVD	9,507	Progress	1,012	Days	4	MW	11.2	Visc	38.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: DRILLING @ 9507'											

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRLG. F/8495' TO 8821' (326') 46.5 FPH. 45 RPM + 65 RPM ON MOTOR. WOB 18/22K. PUMP 395 GPM @ 113 SPM #1 PUMP, SPP 2600 PSI, DIFF 390 DRLG.: MIDDLE PRICE RIVER F/8322'. FUNC. COM DRILLING. MUD WEIGHT 11.1, VIS 39.
13:00	13:30	0.5	SERVICE RIG.
13:30	06:00	16.5	DRLG. F8821' TO 9507' (686') 41.5 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG.: KMV PRICE RIVER MIDDLE F/8322', LOWER PRICE RIVER F/9116'. . FUNC. COM F/DRLG. MUD WEIGHT 11.3, VIS 37.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; RIG INSPECTION. ROTARY TABLE.

FUEL ON HAND 4332 GAL. USED 1653 GAL. USED BOILER 12 HRS. TOTAL HRS. USED 27.

RECEIVED 246 JTS (9878.37') 4.5" N-80 CSG W/ 2 - 4.5" P-110 MKR JTS. (44.40") TRANSFERRED IN 4 JTS CSG + 2 MKR JTS= 10,102.96' O/A THREADS OFF (254 TOTAL TUBULARS).

WEATHER; TEMP 25 DEG. HUMIDITY 80 %, DEW PT 25 DEG. WIND NW @ 3/7, VIS 10 MI.

10-28-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$38,471		Completion		\$0		Daily Total		\$38,471	
Cum Costs: Drilling		\$592,965		Completion		\$36,685		Well Total		\$629,650	
MD	9,870	TVD	9,870	Progress	363	Days	5	MW	11.3	Visc	38.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: LD DP											

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRLG. F/9507' TO 9788' (281') 40.1 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG.: LOWER PRICE RIVER F/9116', SEGO F/ 9654'. FUNC. COM F/DRLG.
13:00	13:30	0.5	SERVICE RIG.
13:30	16:30	3.0	DRLG. F/9788' TO 9870' (82') 27.3 FPH. 48 RPM + 63 RPM ON MOTOR. WOB 18/22K. PUMP 392 GPM @ 114 SPM #1 PUMP, SPP 2650 PSI, DIFF 360 DRLG. SEGO F/ 9654'. REACHED TD 9870' @ 16:30 HRS, ON 10/27/2010.
16:30	17:30	1.0	CIRCULATE 80 BBLs HI VIS SWEEP OUT. 25% INCREASE OF MIXED CUTTINGS ON BOTTOMS UP.
17:30	18:00	0.5	CHECK FOR FLOW, SURVEY AND SLUG PIPE. FUNC COM F/TRIP.
17:30	02:30	9.0	WIPER TRIP. TIGHT HOLE ON TRIP OUT @ 7277', 5886', 5398', 5335', 5243'. PULL TO SURFACE LD REAMERS, RECOVER SURVEY TOOL & TIH. WASH TIGHT HOLE @ 8235' WASH & REAM BRIDGE @ 9461' ON TRIP TO BOTTOM. NO FILL.
02:30	04:00	1.5	PUMP 80 BBLs HIGH VIS SWEEP & CBU. PJSM W/FRANK'S LD CREW. RU/LD MACHINE.
04:00	06:00	2.0	LDDP.
			MUD WEIGHT 11.4, VIS 37.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; FUNC. COM F/TRIPS. R/U LDDP W/ FRANKS CSG. SERVICE.

FUEL ON HAND 2964 GAL. USED 1368 GAL. USED BOILER 16 HRS. TOTAL HRS. USED 43.

WEATHER; TEMP 27 DEG. HUMIDITY 68 %, DEW PT 18 DEG. WIND W @ 5, VIS 10 MI.

BLM & UDOGM NOTIFIED 16:30 HRS 10/27/10 RE; RUNNING PRODUCTION CASING.

10-29-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$16,997		Completion		\$167,605		Daily Total		\$184,602	
Cum Costs: Drilling		\$609,962		Completion		\$204,290		Well Total		\$814,252	
MD	9,870	TVD	9,870	Progress	0	Days	6	MW	11.4	Visc	38.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: RDRT/NO COMPLETION											
Start	End	Hrs	Activity Description								
06:00	09:00	3.0	LDDP/ DC'S. BREAK KELLY, PULL ROT. RUBBER, AND PULL WEAR BUSHING.								
09:00	16:30	7.5	HELD SAFETY MEETING W/RIG CREWS & FRANKS CASING CREW. R/U CASING TOOLS & RAN TOTAL OF 244 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9868. HOLE DISPLACEMENT GOOD, HAD NO MUD LOSS ON TRIP IN HOLE WITH CASING. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9867', 1 SHOE JT., FLOAT COLLAR W/LATCH DOWN ASSEMBLY @ 9824', 143 JTS PLUS 2 MKR. JTS (21.42') BOTTOM @ 7472' & TOP (10.28') @ 4606', CASING MANDREL HANGER W/ 1 PUP JT (6.10'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH IN MIDDLE OF JTS 2 & 3. RAN 44 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT. TO 4566'. TAG BOTTOM W/ JOINT # 245. LAID IT DOWN. LAND CASING W/ 94,600 ON HANGER.								
16:30	18:00	1.5	CIRCULATE W/CASING ON BOTTOM. PJSM. R/D FRANKS CSG TOOLS AND R/U HALLIBURTON.								
18:00	20:00	2.0	PJSM: TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBLS MUD FLUSH, 10 BBLS FRESH WATER, MIX & PUMP 490 SKS.(161 BBLS) HIGHBOND LEAD CEMENT MIXED @ 12.0 PPG, 1.84 Y, 9.78 GAL/SK WATER. PLUS 1380 SKS (361 BBLS.), EXTENDACEM TAIL CEMENT MIXED @ 13.5 PPG, 1.47 Y, 6.98 GAL/SK WATER. WASH PUMP & LINES, LOAD & DROP TOP PLUG ONLY. DISPLACED WITH 152 BBLS FRESH WATER @ 7.5 BPM AVERAGE, BUMP PLUG W/1500 PSI OVER FCP OF 2655 PSI @ 4 BPM. HELD PRESSURE (4105 PSI) 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLS. RE PRESSURED UP TO 2800 PSI FOR 1 HOURS. PLUG DOWN @ 19:49 HRS 10/28 /2010. FULL RETURNS MUD ONLY DURING CEMENTING.								
20:00	21:00	1.0	WAIT ON CEMENT.								
21:00	22:00	1.0	FMC SERVICEMAN SET CASING MANDREL PACKOFF. TEST HANGER PACK OFF TO 5000 PSI. REDI SUPER SUCKERS CLEAN MUD TANKS AND TRANSFER MUD TO STORAGE. MOVING 3.2 MILES TO HOSS 88-33.								
22:00	06:00	8.0	RDRT.								
FULL CREWS. ONE LACERATION TO UPPER LIP ACCIDENT REPORTED. NO LOSS TIME.											
SAFETY MEETINGS TOPICS; FUNC. COM F/RUN & CMT. CASING. RDRT & MOVE RIG.											
FUEL ON HAND 2166 GAL. USED 798 GAL. USED BOILER 9 HRS. TOTAL HRS. USED 52											
TRANSFER 6 JT'S (241.26') 4.5" 11.6#, N-80 LTC CSG., 2 JTS. 4.5" 11.6#, P-110 MARKER JTS. (30.88') AND 2166 GALLONS FUEL TO THE HOSS 88-33 @ \$3.029/GAL. (\$6560).											
WEATHER; TEMP 28 DEG. HUMIDITY 74 %, DEW PT 21 DEG. WIND W @ 5, VIS 10 MI.											
BLM (E-MAIL) & UDOGM (TELEPHONE) NOTIFIED OF BOP TEST 10/29/10 ON HOSS 88-33.											
06:00	RIG RELEASED @ 22:00 HRS, ON 10/28/2010.										
CASING POINT COST \$601,158											

12-05-2010	Reported By	MCCURDY			
DailyCosts: Drilling	\$0	Completion	\$1,248	Daily Total	\$1,248

<b>Cum Costs: Drilling</b>	\$609,962	<b>Completion</b>	\$205,538	<b>Well Total</b>	\$815,500
<b>MD</b>	9,870	<b>TVD</b>	9,870	<b>Progress</b>	0
<b>Days</b>	7	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

12-14-2010 Reported By MCCURDY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$1,852	<b>Daily Total</b>	\$1,852
<b>Cum Costs: Drilling</b>	\$609,962	<b>Completion</b>	\$207,390	<b>Well Total</b>	\$817,352
<b>MD</b>	9,870	<b>TVD</b>	9,870	<b>Progress</b>	0
<b>Days</b>	8	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	MESAVERDE	<b>PBTD : 0.0</b>	<b>Perf : 7826'-9602'</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FRAC TANKS PRE MIXED W/ BIOCIDE (75) @ .05 GAL/M, WSI SCALE INHIBITOR (3730) @ 1 GAL/M.

STAGE 1. MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 9272'-73', 9279'-80', 9286'-87', 9295'-96', 9321'-22', 9332'-33', 9336'-37', 9348'-49', 9417'-18', 9503'-04', 9575'-76', 9592'-93', 9596'-97', 9601'-02' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/30 GAL BIOCIDE (AQUAR GA 50), 7412 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 32973 GAL 16# DELTA 200 W/114500# 20/40 SAND @ 2-5 PPG. MTP 5853 PSIG. MTR 53 BPM. ATP 4785 PSIG. ATR 47.3 BPM. ISIP 3153 PSIG. RD HALLIBURTON.

STAGE 2. RUWL. SET 6K CFP AT 9250'. PERFORATE MPR/LPR FROM 9062'-63', 9071'-72', 9077'-78', 9085'-86', 9094'-95', 9107'-08', 9118'-19', 9141'-42', 9150'-51', 9159'-60', 9189'-90', 9211'-12', 9219'-20', 9228'-29' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/30 GAL BIOCIDE (AQUAR GA 50), 50223 GAL 16# DELTA 200 W/159700# 20/40 SAND @ 1-5 PPG. MTP 5429 PSIG. MTR 50.7 BPM. ATP 4442 PSIG. ATR 48.5 BPM. ISIP 3376 PSIG. RD HALLIBURTON.

STAGE 3. RUWL. SET 6K CFP AT 9040'. PERFORATE MPR FROM 8814'-15', 8818'-19', 8827'-28', 8833'-34', 8843'-44', 8869'-70', 8875'-76', 8885'-86', 8940'-41', 8946'-47', 8966'-67', 8970'-71', 9010'-11', 9018'-19' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/30 GAL BIOCIDE (AQUAR GA 50), 7431 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 27423 GAL 16# DELTA 200 W/89700# 20/40 SAND @ 2-4 PPG. MTP 6230 PSIG. MTR 50.7 BPM. ATP 5330 PSIG. ATR 47.4 BPM. ISIP 4093 PSIG. RD HALLIBURTON.

STAGE 4. RUWL. SET 6K CFP AT 8796'. PERFORATE MPR FROM 8574'-75', 8584'-85', 8592'-93', 8600'-01', 8609'-10', 8617'-18', 8660'-61', 8713'-14', 8721'-22', 8730'-31', 8760'-61', 8778'-79' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/30 GAL BIOCIDE (AQUAR GA 50), 7571 GAL 16# LINEAR W/9700# 20/40 SAND @ 1-1.5 PPG, 35045 GAL 16# DELTA 200 W/122000# 20/40 SAND @ 2-5 PPG. MTP 5942 PSIG. MTR 49.8 BPM. ATP 4935 PSIG. ATR 48.6 BPM. ISIP 2977 PSIG. RD HALLIBURTON.

STAGE 5. RUWL. SET 6K CFP AT 8560'. PERFORATE MPR FROM 8364'-65', 8371'-72', 8380'-81', 8394'-95', 8424'-25', 8433'-34', 8441'-42', 8453'-54', 8460'-61', 8475'-76', 8488'-89', 8497'-98', 8533'-34', 8540'-41' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/30 GAL BIOCIDE (AQUAR GA 50), 7399 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 41362 GAL 16# DELTA 200 W/144800# 20/40 SAND @ 2-5 PPG. MTP 6129 PSIG. MTR 51.8 BPM. ATP 4416 PSIG. ATR 48.1 BPM. ISIP 2584 PSIG. RD HALLIBURTON.



STAGE 6. RUWL. SET 6K CFP AT 8336'. PERFORATE UPR FROM 8085'-86', 8090'-91', 8108'-09', 8116'-17', 8127'-28', 8142'-43', 8153'-54', 8215'-16', 8224'-25', 8268'-69', 8282'-83', 8291'-92', 8302'-03', 8315'-16' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/30 GAL BIOCID (AQUAR GA 50), 7411 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 49792 GAL 16# DELTA 200 W/174700# 20/40 SAND @ 2-5 PPG. MTP 4645 PSIG. MTR 51.6 BPM. ATP 3645 PSIG. ATR 50 BPM. ISIP 2521 PSIG. RD HALLIBURTON.

STAGE 7. RUWL. SET 6K CFP AT 8067'. PERFORATE UPR FROM 7826'-27', 7831'-32', 7837'-38', 7851'-52', 7872'-73', 7880'-81', 7886'-87', 7899'-900', 7947'-48', 7955'-56', 7970'-71', 7993'-94', 8044'-45', 8049'-50' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/30 GAL BIOCID (AQUAR GA 50), 7388 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 28383 GAL 16# DELTA 200 W/96800# 20/40 SAND @ 2-5 PPG. MTP 6132 PSIG. MTR 50.9 BPM. ATP 4970 PSIG. ATR 44.4 BPM. ISIP 1885 PSIG. RD HALLIBURTON. SWIFN.

12-15-2010		Reported By		MCCURDY							
DailyCosts: Drilling		\$0		Completion		\$315,346		Daily Total		\$315,346	
Cum Costs: Drilling		\$609,962		Completion		\$522,736		Well Total		\$1,132,699	
MD	9,870	TVD	9,870	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 0.0			Perf : 7788’-9602’			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	STAGE 8. SICP 1607 PSIG. RUWL. SET 6K CFP AT 7808’. PERFORATE UPR FROM 7516’-17’. PULLED OUT OF ROPE SOCKET @ 7554’. RDWL & HALLIBURTON.								

FLOWED 18 HRS. 24/64 CHOKE. FCP 1000 PSIG. 103 BFPH. RECOVERED 2072 BLW. 6475 BLWTR.

12-16-2010		Reported By		MCCURDY							
DailyCosts: Drilling		\$0		Completion		\$2,502		Daily Total		\$2,502	
Cum Costs: Drilling		\$609,962		Completion		\$525,238		Well Total		\$1,135,201	
MD	9,870	TVD	9,870	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 0.0			Perf : 7788’-9602’			PKR Depth : 0.0		
Activity at Report Time: ON SALES											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FCP 800 PSIG, 70 BFPH. RECOVERED 1687 BBLS, 4788 BLWTR. 405 MCF. TURNED TO SALES THROUGH BRECO UNIT @ 10:30 AM.								
06:00			INITIAL PRODUCTION. OPENING PRESSURE: TP 0 PSIG & CP 900 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 11:00 AM, 12/15/10. FLOWED 400 MCFD RATE ON 24/64" POS CHOKE. STATIC 177. QUESTAR METER #008612.								

12-17-2010		Reported By		MCCURDY							
DailyCosts: Drilling		\$0		Completion		\$2,602		Daily Total		\$2,602	
Cum Costs: Drilling		\$609,962		Completion		\$527,840		Well Total		\$1,137,803	
MD	9,870	TVD	9,870	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 0.0			Perf : 7788’-9602’			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FCP 800 PSIG. 53 BFPH. RECOVERED 1290 BLW. 3498 BLWTR. 659 MCFD RATE.								

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. UTU61401	
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____		6. If Indian, Allottee or Tribe Name	
2. Name of Operator EOG RESOURCES, INC.		7. Unit or CA Agreement Name and No.	
Contact: MICHELLE E ROBLES E-Mail: MICHELLE_ROBLES@EOGRESOURCES.COM		8. Lease Name and Well No. HOSS 86-31	
3. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		9. API Well No. 43-047-39946	
3a. Phone No. (include area code) Ph: 307-276-4842		10. Field and Pool, or Exploratory NATURAL BUTTES	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface Lot 4 1273FSL 1237FWL 40.07549 N Lat, 109.37450 W Lon At top prod interval reported below Lot 4 1273FSL 1237FWL 40.07549 N Lat, 109.37450 W Lon At total depth Lot 4 1273FSL 1237FWL 40.07549 N Lat, 109.37450 W Lon		11. Sec., T., R., M., or Block and Survey or Area Sec 31 T8S R23E Mer SLB	
14. Date Spudded 10/04/2010		12. County or Parish UINTAH	
15. Date T.D. Reached 10/27/2010		13. State UT	
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 12/15/2010		17. Elevations (DF, KB, RT, GL)* 4860 GL	
18. Total Depth: MD TVD 9870		19. Plug Back T.D.: MD TVD 9824	
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) ✓ RST/CBL/CCL/VDL/GR, Temp	
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)			

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J55	36.0		2722		1000		0	
7.875	4.500 N80	11.6		9867		1870		1240	

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7363							

## 25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7516	9602	7516 TO 9602			MESAVERDE
B) WASATCH	5509	7347	5509 TO 7347			WASATCH
C)						
D)						

## 26. Perforation Record

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
7516 TO 9602	353,862 GALS OF GELLED WATER & 1,096,200# 20/40 SAND
5509 TO 7347	204,201 GALS OF GELLED WATER & 587,700# 20/40 SAND

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/15/2010	12/23/2010	24	→	0.0	680.0	580.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
24/64	SI	500.0	→	0	680	580		PGW	

## 28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #100569 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

RECEIVED

JAN 19 2011

DIV. OF OIL, GAS &amp; MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)  
SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	7516	9602		GREEN RIVER	1852
WASATCH	5509	7347		BIRDS NEST	2118
				MAHOGANY	2736
				UTELAND BUTTE	4857
				WASATCH	5070
				CHAPITA WELLS	5671
				BUCK CANYON	6361
				PRICE RIVER	7523

32. Additional remarks (include plugging procedure):  
ADDITIONAL FORMATION (LOG) MARKERS:

MIDDLE PRICE RIVER 8340  
LOWER PRICE RIVER 9120  
SEGO 9675

AT REPORT TIME, WELL IS FLOWING UP THE CASING.

## 33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
- 7 Other:

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #100569 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MICHELLE E ROBLES

Title REGULATORY ASSISTANT

Signature (Electronic Submission)

Date 01/14/2011

*Michelle Robles*

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\*

**Additional data for transaction #100569 that would not fit on the form**

**32. Additional remarks, continued**

ATTACHMENT: REPORT OF WATER ENCOUNTERED DURING DRILLING.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: HOSS 86-31

API number: 4304739946

Well Location: QQ SESW Section 31 Township 8S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		NO FLOW	

Formation tops:  
(Top to Bottom)

1 \_\_\_\_\_ 2 \_\_\_\_\_  
4 \_\_\_\_\_ 5 \_\_\_\_\_  
7 \_\_\_\_\_ 8 \_\_\_\_\_  
10 \_\_\_\_\_ 11 \_\_\_\_\_

RECEIVED

3  
JAN 19 2011

6  
DIV. OF OIL, GAS & MINING

12 \_\_\_\_\_

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) MICHELLE ROBLES

TITLE REGULATORY ASSISTANT

SIGNATURE

Michelle Robles

DATE

1/13/2011